



Verification report – Overseas Exporter Case AD0059: Certain Engine Oils and Hydraulic Fluids from Lithuania and the United Arab Emirates

Period of Investigation (POI):	1 April 2023 – 31 March 2024
Injury Period:	1 April 2020 – 31 March 2024
Date of report:	1 May 2025
Case team contact details:	AD0059@traderemedies.gov.uk
Interested Party verified:	UAB SCT Lubricants, Lithuania

For further details, please see the [Notice of initiation](#) on the public file.



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Executive Summary

The Trade Remedies Authority (TRA) is conducting an anti-dumping investigation to determine whether injury is being caused to the United Kingdom (UK) due to dumping of Certain Engine Oils and Hydraulic Fluids imported into the UK from Lithuania and the United Arab Emirates.

More information about the case can be found on the public file:

[Certain Engine Oils and Hydraulic Fluids from Lithuania and the United Arab Emirates - Trade Remedies Service - GOV.UK](#)

UAB SCT Lubricants (SCT) a Lithuanian producer/exporter of the goods concerned, returned an exporter questionnaire and annex (questionnaire response). SCT is a medium-sized business that produces engine oils and hydraulic fluids and then subsequently sell the goods domestically and for export to the UK and other countries.

The TRA sought to verify the completeness, relevance and accuracy of the information submitted:

- We conducted a walkthrough of SCT's accounting system, to gain an understanding of the accounting function, systems and controls, to enable us to assess the level of reliance that can be placed on the data submitted.
- We conducted an on-site verification exercise to evaluate the completeness, relevance and accuracy of information provided in the questionnaire response.
- We conducted a site visit of the company's premises to gain an appreciation of its production facilities and processes.
- We checked information provided in the questionnaire response regarding general company set-up and associations against information on the company's website, audited financial statements and copies of company secretarial records for consistency. We also discussed any proposed ownership or structural plans with management.



- We conducted testing of Product Control Numbers (PCNs) due to complexity of the PCN structure to ensure accuracy and consistency of the application and mapping of the PCN parameters to internal product codes.
- We reconciled questionnaire responses with information held in the company's accounting system and financial statements, to consider the completeness, relevance and accuracy of the submission.

Based on the verification activity undertaken, the TRA have a reasonable level of assurance on the completeness, relevance and accuracy of the information provided by UAB SCT Lubricants and we can use it for the purpose of this investigation.

Purpose of verification

The purpose of the TRA's verification activity is to determine whether the information provided by interested parties is complete, relevant, and accurate and can be used in our investigation. This verification report sets out the conclusions reached for each component part that covers the scope of our work. It also provides an overall conclusion stating the level of assurance reached.

The information verified may then be considered in our assessments and analysis to determine whether dumping has occurred and if this is causing injury to the UK industry. This will form the basis for establishing appropriate measures where necessary, and to assess whether these are in the UK's economic interest.

We carried out verification activities both remotely and onsite. The TRA did not seek to verify all information provided, but undertook the work considered appropriate and possible within the time constraints of the investigation to obtain assurance upon which to base our case decision.

This verification report documents the work completed, providing an overview of the range and scope of verification procedures performed, for each component part that covers the scope of our work, on the information submitted by UAB SCT Lubricants.



It details the conclusions reached regarding completeness, relevance, accuracy and provides an overall conclusion stating the level of assurance reached.

Confidential information

UAB SCT Lubricants (SCT) must provide a non-confidential version of the verification report marked as 'non-confidential' in the header.

If any information contained in the verification report is considered confidential, SCT should delete or redact those sections and provide a non-confidential summary of the information which has been removed. It must provide reasons as to why the particular information is considered confidential (see also [public guidance](#)).

The non-confidential version of the verification report will be placed on the public file.



Verification

Please find below a summary of work completed by the TRA to determine whether the information provided by UAB SCT Lubricants (SCT) in its questionnaire response is complete, relevant, and accurate.

A. Company structure and associations

What information was considered

We considered from the questionnaire response:

- Company details including date of incorporation, company addresses etc.
- General company structure, ownership, and management
- Associations with other companies
- Accounting compliance and auditor's opinion

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

How the information was checked

Company details

We checked the company structure and associations to gain an understating of SCT's operations and relationships. This process enabled us to identify any discrepancies and check the authenticity of the information provided. We also cross-checked information submitted by SCT to its financial statements and other sources, including its corporate website.

General company structure, ownership and management

We cross-checked details provided by SCT Lubricants on its structure, ownership, and management with documents submitted, as well as with relevant publicly available information.

Associations with other companies



The associated companies listed in the questionnaire have been reviewed. The agreement types specified have been agreed to provided contractual information and appear to be accurate and consistent. We reviewed the questionnaire response and did not identify any undeclared associated parties.

Accounting compliance and auditor’s opinion

Financial statements for the year ending 31 December 2024 were not finalised at the time of our verification work. Audited financial statements spanning the Injury Period, have been prepared in line with the Lithuanian Financial Reporting Standard, International Financial Reporting Standard (IFRS) and International Standards on Auditing (ISAs). The independent auditors have conducted their audit in accordance with International Ethics Standards Board of Accountants’ International Code of Ethics for Professional Accountants and declared these to be presented fairly in all material respects.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Exceptions/Findings/Adjustments

None.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Conclusions

Based on the work performed, we have a reasonable level of assurance that the information relating to company associations and accounting policies and practices can be treated as complete, relevant, and accurate and can therefore be used by the TRA for dumping and injury assessment and for any other purpose within the investigation.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):



B. Accounting Systems and Procedures

What information was considered

- Accounting systems
- Accounting policies, risks and financial statements
- Sales and customer order process
- Data manipulation methods used in the questionnaire response

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

How the information was checked

Accounting systems and walk-through

We conducted a walk-through of the accounting systems of SCT to ascertain the level of reliance that can be placed on the data processed by its information systems.

The company uses [Redacted: Details of company accounting system(s)]. A walkthrough of the sales order system was provided.

Accounting policies, risks, and financial statements

We reviewed the audited financial statements for the Injury Period. SCT's financial statements are prepared in line with the Lithuanian Financial Reporting Standard, International Financial Reporting Standard (IFRS) and International Standards on Auditing (ISAs). We found no high-risk or high complexity areas which needed responding to via the design of additional verification procedures. Financial statements for the most recent period ending 31 December 2024 were not published at the time of our verification work.

Sales and customer order process



An example transaction for sales to the UK was selected ahead of an accounting walk-through meeting. We were able to document the process of sales orders from inception, through fulfilment and ultimately settlement via explanations and evidence provided to us during the call and via email correspondence immediately after. We also matched the transaction to formal underlying source documentation.

Data manipulation methods used in questionnaire response

We noted during our accounting walk-through session, and in-person visit, how certain sub-sets of data had been collected. The data manipulation methods used were limited, with data originating from the master accounting ledger records.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Exceptions/Findings/Adjustments

None.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Conclusions

Based on the work performed, we have obtained a basic understanding of the relevant accounting and associated business systems of SCT. This enabled us to plan appropriate verification procedures.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):



C. Goods

What information was considered

- Goods description and comparability of the like goods and goods concerned
- Product Control Number (PCN) allocations
- Internal coding system
- Top PCNS by sales volume
- Site tour

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

How the information was checked

We checked the information to determine whether SCT had correctly assigned PCNs to all of the like goods and goods concerned it produces, and to ensure its submission included goods within the scope of the investigation.

Goods description, PCN allocations and internal coding system

We reviewed the characteristics of PCNs in relation to the product catalogue specifications and aligned them with the internal product codes. This process highlighted the inherent complexity of the PCN table, including overlapping technical specifications that allow for multiple interpretations. While this may result in varying answers when comparing similar products, we confirmed that no discrepancies were identified, and PCNs were allocated correctly.

[Redacted: Details of PCN selection methodology]

We conducted testing during verification by focusing on [Redacted: Details of PCN selection], to establish if there had been any inaccuracies concerning the mapping of internal product codes to the PCNs. We reviewed extracts from internal product catalogues and product specification sheets and discussed with technical management



about any potential ambiguities. We are satisfied that the products tested are in-scope and have been assigned PCNs that were accurate, based on their underlying chemical composition and other relevant specifications.

Plant and machinery

We conducted a physical inspection of the production facilities to gain an understanding of the production processes and to check that goods declared were consistent with the type of production plant and machinery. Our findings indicate that the commercial activities of the company primarily relate to production of lubricant products.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Exceptions/Findings/Adjustments

None.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Conclusions

Based on the work performed, we have a reasonable level of assurance that the information can be treated as complete, relevant and accurate. The goods information provided in the questionnaire response can therefore be used by the TRA for dumping and injury assessments and for any other purpose within the investigation.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):



D. Costs

SCT's questionnaire response did not include sufficient data and explanations concerning costs in order for us to perform verification procedures to corroborate them. As such, we have no assurance over costs.

What information was considered
Non applicable.
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>
Non applicable.
How the information was checked
Non applicable.
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>
Non applicable.
Exceptions/Findings/Adjustments
Non applicable.
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>
Non applicable.
Conclusions
Information relating to costs was not provided by SCT. Based on the work performed, we have no assurance that the information can be treated as complete, relevant and accurate because it is not of a sufficient level of detail or has been omitted.
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>
Non applicable.



D. Sales

What information was considered
<p>Completeness of sales:</p> <ul style="list-style-type: none"> • Sales reconciliation • Completeness of data <p>Transactional testing:</p> <ul style="list-style-type: none"> • Transaction-by-transaction domestic sales • Sales source documentation • Freight costs
<p><i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i></p>
How the information was checked
<p>Completeness of sales</p> <p>We conducted upwards verification, a method of comparing annex data to underlying financial records, to ascertain the completeness of the sales figures provided. Given the lack of alignment between SCT’s financial year and the Period of Investigation (POI), we constructed a comparable trial balance period and compared this to the data submitted in the questionnaire response. We found only trivial differences between the total sales submitted and total sales constructed via our reconciliation efforts. We were also able to verify the methods used for extracting data for in-scope goods, including re-performance of summary reports during in-person verification and corroboration with known UK import values. We are satisfied of the completeness of these data.</p> <p>Transactional testing</p> <p>A sample of sales transactions (the transaction selection) was initially selected from SCT’s submitted questionnaire annex data. SCT supplied documentation for the transaction selection, including invoices, delivery notes, and bank payments. We found no discrepancies concerning accuracy or relevance during our testing. We found no</p>



inconsistencies between discounts provided on invoices and discount policies disclosed on the annex data. We also considered transportation charges, and found that they were consistent with our understanding of contractual obligations and had ultimately been presented [Redacted: Details of transport arrangements] for the purposes of the questionnaire submission. We found no examples of inconsistencies or inaccuracies between the annex data and source documentation tested.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Exceptions/Findings/Adjustments

None.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Conclusions

Based on the work performed, we have a reasonable level of assurance that the sales information can be treated as complete, relevant, and accurate and can therefore be used by the TRA for dumping and injury assessments and for any other purpose within the investigation.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):



E. Fair Comparison

What information was considered

- Discounts and rebates
- Credit
- Transportation, insurance, handling
- Differences in physical characteristics
- Other adjustments and disclosures

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

How the information was checked

Discounts and rebates

Sales invoices, contracts and bank settlement documentation were checked and compared to the questionnaire response provided by SCT. We found no material examples of non-disclosure, noting that [Redacted: Details of discounts].

Credit

Credit terms detailed were compared to source documentation obtained during sales testing. We found that the information was consistent with the questionnaire response.

Transportation, insurance and handling

We confirmed that sales to the UK during the POI were conducted in line with contractual obligations and on [Redacted: Details of transport arrangements] basis. This was corroborated during our sales testing where we observed no material differences concerning accuracy and relevance of sales between data declared on the questionnaire response and source documentation. The sales data presented to us were prepared appropriately in order to enable calculations and for case decision-making purposes.



Differences in physical characteristics

SCT demonstrated via its questionnaire response, and a tour of its production facilities, that the products declared as in scope match the characteristics of the products under investigation. Of those within scope, there is no difference in physical characteristics for domestic or export market customers. The [C. Goods](#) section details the methods we used to test product characteristics and to determine whether PCN classifications had been applied correctly. We found no material issues.

Other adjustments and disclosures

No other adjustments were claimed by SCT and we found no examples of omissions as part of our verification procedures.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Exceptions/Findings/Adjustments

None.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

None.

Conclusions

Based on the work performed, we have a reasonable level of assurance that the fair comparison information can be treated as complete, relevant, and accurate and can therefore be used by the TRA for dumping and injury assessments and for any other purpose within the investigation.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):



F. Performance

What information was considered

- Profitability
- Production facilities and capacity

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

How the information was checked

Profitability

We reviewed audited financial statements provided and found no material differences between what was disclosed on the accounting records and what was declared on the questionnaire response.

Production facilities and capacity

We reviewed disclosures made in the questionnaire response relating to capacity and production facilities more generally. We were able to obtain evidence which corroborated values, and these were consistent with our findings from a physical tour of plant and machinery.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Exceptions/Findings/Adjustments

None.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Conclusions

Based on the work performed, we have a reasonable level of assurance that the performance information can be treated as complete, relevant, and accurate and can



therefore be used by the TRA for dumping and injury assessments and for any other purpose within the investigation.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Conclusions

We checked company details and product and ownership information provided by SCT, comparing it with statutory records and published audited financial statements. We reviewed PCN allocations and in and out of scope goods for accuracy and consistency. We also observed and reviewed accounting policies and practices.

SCT demonstrated how sales data had been extracted and prepared in the questionnaire response from its accounting system. A sample of sales transactions was traced back to source documents with no material errors found concerning accuracy or relevance. We were also able to perform a reconciliation of total sales from trial balance records for a constructed accounting period which aligned to the POI, as well as other procedures to determine the completeness of sales of in-scope goods.

We reviewed fair comparison and performance data and disclosures, corroborating information including discounts, transportation, insurance and handling, profitability and production. We found no material errors or inconsistencies.

We have obtained sufficient and appropriate evidence to conclude that the information provided by the company under the sections above is verifiable except for costs, due to an incomplete questionnaire response in relation to this. We have a reasonable level of assurance that the information provided in SCT's questionnaire response is complete, relevant, and accurate for the purpose of this investigation.



Annexes

Annex 1: Meetings

Date and duration	Type of authentication	Company representatives	TRA representatives
10 th Feb 2025 (1hr)	<input checked="" type="checkbox"/> remote <input type="checkbox"/> on-site	[Redacted: Personal information, 3 individuals]	[Redacted: Personal information, 2 individuals]
20 th Feb – 21 st Feb 2025	<input type="checkbox"/> remote <input checked="" type="checkbox"/> on-site	[Redacted: Personal information, 3 individuals]	[Redacted: Personal information, 2 individuals]