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**F.No. 06/42/2017-DGAD  
Government of India  
Department of Commerce  
Ministry of Commerce & Industry  
(Directorate General of Anti-Dumping & Allied Duties)  
4<sup>th</sup> Floor, Jeevan Tara Building, Parliament Street**

Dated 23<sup>rd</sup> January, 2018

**INITIATION NOTIFICATION**

**Case No. OI- 45/2017**

**Subject: Initiation of Anti-Dumping investigation concerning imports of “Coated Paper” originating in or exported from China PR, European Union & USA.**

No 06/42/2017-DGAD: Indian Paper Manufacturers Association on behalf of M/s BILT Graphics Paper Products Ltd, subsidiary of M/s Ballarpur Industries Ltd. (hereinafter referred to as ‘petitioner’ or “the applicant”) has filed an application (also referred to as “petition”) before the Designated Authority (hereinafter referred to as the “Authority”) in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred to as the ‘Act’) and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped articles and for Determination of injury) Rules, 1995 as amended from time to time (hereinafter referred to as the “AD Rules”) for initiation of anti-dumping investigation concerning imports of ‘Coated Paper’ (hereinafter referred to as the “subject goods”) originating in or exported from China PR, European Union & USA, Indonesia and Korea.

2. And whereas, on finding prima facie finds that evidence of dumping of the subject goods, originating in or exported from China PR, European Union & USA (hereinafter as “the subject countries”), injury to the domestic industry and causal link between the alleged dumping and injury exist to justify initiation of an anti-dumping investigation; the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of Rule 5 of the AD Rules, to determine the existence, degree and effect of alleged dumping and to recommend the amount of antidumping duty, which if levied, would be adequate to remove the injury to the domestic industry.
3. The Authority has prima facie found absence of dumping on imports of subject goods from Indonesia and Korea RP for the period of investigation. The anti-dumping investigation accordingly is not being initiated concerning imports originating in or exported from other two countries namely Indonesia and Korea RP.

## **A. Product under consideration and like articles**

4. The product under consideration in the present petition is “Paper or Paper Board coated with kaolin (china clay) or calcium carbonate or polymer or other inorganic substance, with or without a binder; and with no other coating, either on one or both sides; whether or not surface-coloured, surface-decorated or printed, in rolls or rectangular (including square) sheets, of any sizes; whether or not dull, gloss, matte or high-gloss(cast coated) finish; made generally, but not invariably or exclusively from virgin chemical pulp, properly classifiable under Chapter 4810”.
5. Product under consideration is primarily used for printing of magazines, catalogues, books & manuals, calendars, brochures, labels, flexible packaging etc. The GSM for Coated Paper ranges from 40 gsm to 350 gsm.
6. Specifically excluded from the scope of this petition is multilayered board for packaging purpose which does not form part of the product under consideration.
7. Coated Paper and Paper Board falling under customs heading 4810 is covered under the present investigation. Customs heading is, however, indicative only and not binding on the scope of product under investigation.

## **B. Domestic Industry & Standing**

8. The application has been filed by Indian Paper Manufacturers Association on behalf of domestic industry, M/s BILT Graphic Paper Products Ltd, which is producer of the subject goods. There is one more known domestic producer of the product under consideration, namely, JK Paper Limited. It is seen that the production by the petitioner company constitutes ‘a major proportion’ in Indian production of the like product produced. It is also noted that petitioner company has neither imported the subject goods, nor is it related to an importer or exporter of the subject goods. It is, thus, determined that the application has been filed by and on behalf of the domestic industry and the application satisfies the requirements of ‘standing’ under Rule 5 of the AD Rules. Further, the petitioner company constitutes ‘Domestic Industry’ in terms of Rule 2(b) of the AD Rules.

## **C. Like Article**

9. The applicant has claimed that there is no known difference in product produced by the applicant and exported from the subject countries. Both products have comparable characteristics in terms of parameters such as physical & chemical characteristics, functions & uses, product specifications, pricing, distribution & marketing and tariff classification, etc. The Authority considers that the subject goods produced by the domestic industry are like article to the subject goods imported from the subject countries, for the purpose of the present investigation.

## **D. Subject Countries**

10. The countries against which present investigation is initiated are China PR, European Union & USA (referred to as “subject countries” in the present notification).

## **E. Normal value**

### China PR

11. With regard to the submissions made by the petitioner regarding treating China as a Non-Market Economy, it is noted by the Authority that the commitments under para 15(a) (i) of the Accession Protocol signed by China with WTO requires that the producers under investigation clearly shows that market economy conditions prevail in the industry producing the like product with regard to the manufacture, production and sale of that product. In event of this being substantiated, the importing WTO member shall use Chinese prices or costs for the industry under investigation in determining price comparability. Further Article 2.2.1.1 of WTO and AD Rules of India requires that the financial records of producer/exporter reasonably reflect the production costs. Therefore, information and supportive evidence thereof in respect of the following is required to be provided.

- a. Decisions in regard to price, cost, input including raw material, cost of technology and labour, output, sales and investment, are made in response to market signal reflecting supply and demand and without significant State interference and whether cost of major inputs substantially reflect market value.
- b. Production costs and financial situation does not suffer from any distortion.
- c. The producer/exporter are subject to bankruptcy and property law which guarantees legal certainty and stability for the operation of the firms.
- d. Exchange rate conversions are carried out at the market rate.

For the purpose of initiation the constructed normal value is being adopted.

### EU & USA

12. The applicant has submitted that efforts were made to get information/evidence of transaction price of subject goods in the domestic market of subject countries but was not able to get such information. The applicant has therefore constructed normal value for all subject countries on the basis of best estimates of cost of production in the country origin, duly adjusted for selling, general & administrative costs and reasonable profits. For the purpose of initiation the normal value so constructed is being adopted.

## **F. Export Price**

13. Export Prices have been determined considering volume and value of imports for the proposed period of investigation as per DGCI&S Published data. Price adjustments have been made on account of ocean freight, marine insurance,

commission, port expenses, inland freight expenses, credit cost , non-refundable VAT (in case of China only) and bank charges which may have been incurred by the exporter for exporting the material to India.

### **G. Dumping Margin**

14. Considering the normal value and export price determined, there is prima facie evidence that the normal value of the subject goods in the subject countries are higher than the export price.

### **H. Evidence of Injury and Causal Link**

15. Information furnished by the applicant has been considered for assessment of injury to the domestic industry. The applicant has furnished evidence regarding the injury having taken place as a result of the alleged dumping in the form of increased volume of dumped imports in absolute terms and in relation to production and consumption in India, price undercutting, price underselling and consequent adverse impact in terms of decline in production, sales, market share, profit, cash flow and ROI. There is prima facie evidence of the “material injury” being suffered by the domestic industry caused by dumped imports from subject countries to justify initiation of an antidumping investigation.

### **I. Initiation of investigation**

16. The Authority finds prima facie evidence of dumping of subject goods, originating in or exported from the subject countries; injury to the domestic industry and causal link between alleged dumping and injury, to justify initiation of anti-dumping investigation to determine the existence, degree and effect of alleged dumping and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the ‘injury’ to the domestic industry. Accordingly, the Authority hereby initiates an investigation into the alleged dumping and consequent injury to the domestic industry in terms of Para 5 of the Rules.

### **J. Period of investigation (POI)**

17. The period of investigation for the present investigation is from April 2016 –June 2017 (15 Months). The injury investigation period has been considered and proposed to cover the periods 2013-14, 2014-15 and 2015-16 and the period of investigation.

### **K. Submission of Information**

18. The known exporters in the subject countries, the Government of the subject countries through their embassies in India, the importers and users in India known to be concerned with the product are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Authority at the following address

**The Designated Authority,**  
Directorate General of Anti-Dumping & Allied Duties,  
Ministry of Commerce & Industry,  
Department of Commerce  
4<sup>th</sup> Floor, Jeevan Tara Building,  
5 Parliament Street,  
New Delhi -110001.  
[Dgad.india@gov.in](mailto:Dgad.india@gov.in)

19. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner (downloadable from the website of the authority at [www.dgtr.gov.in](http://www.dgtr.gov.in) ) within the time limit set out below.

#### **L. Time limit**

20. All interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter within 2 weeks of this notification and file their questionnaire responses and offer their comments to the domestic industry's application within forty days (40 days) from the date of publication of this notification. The information must be submitted in hard copies as well as soft copies.
21. It may be noted that if no information is received from an interested party within the prescribed time limit, or the information received is incomplete, the authority may record its findings on the basis of the facts available on record, in accordance with the rules.

#### **M. Submission of Information on Confidential/Non-Confidential basis**

22. In case confidentiality is claimed on any part of the questionnaire's response/submissions, the same must be submitted in two separate sets (a) marked as Confidential (with title, index, number of pages, etc.) and (b) other set marked as Non Confidential (with title, index, number of pages, etc.). All the information supplied must be clearly marked as either "confidential" or "non-confidential" at the top of each page.
23. Information supplied without any confidential marking shall be treated as non-confidential and the Authority shall be at liberty to allow the other interested parties to inspect any such non-confidential information. Two (2) copies of the confidential version and of the non-confidential version must be submitted by all the interested parties.
24. For information claimed as confidential; the supplier of the information is required to provide a good cause statement along with the supplied information as to why such Information cannot be disclosed and/or why summarization of such information is not possible.
25. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out /summarized depending upon the information on which confidentiality is claimed. The non-

confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, parties submitting the confidential information may indicate that such information is not susceptible to summarization; a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.

26. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the 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 generalized or summary form, it may disregard such information.
27. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim may not be taken on record by the Authority. The Authority on being satisfied and accepting the need for confidentiality of the information provided; shall not disclose it to any party without specific authorization of the party providing such information.

#### **N. Inspection of Public File**

28. In terms of rule 6(7) any interested party may inspect the public file containing non-confidential versions of the evidence submitted by other interested parties.

#### **O. Non-cooperation**

29. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.

(Sunil Kumar)  
Additional Secretary & Designated Authority