

F.No.07/15/2023DGTR
Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Anti-Dumping & Allied Duties)
4th Floor, Jeewan Tara Building, 5, Parliament Street, New Delhi

Dated the 28.03.2024

INITIAION NOTIFICATION

Case No. MTR03/2023

(Mid Term Review Investigation)

Sub: - Initiation of a Mid-term Review (MTR) of the anti-dumping duties in force on the imports of “Decor Paper”, originating in or exported from China PR.

F.No.07/15/2023DGTR: Whereas 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 Duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended from time to time, (hereinafter referred to as the Rules), the Designated Authority (hereinafter referred to as Authority), notified its final findings vide Notification F. No.6/38/2020-DGTR dated 28th September, 2021 and recommended imposition of definitive anti-dumping duty on import of “D cor Paper” (hereinafter referred to as “subject goods” or “the product under consideration”) originating in or exported from China PR. Thereafter, a corrigendum notification of even No. dated 8th October, 2021 was issued by the Authority. The definitive anti-dumping duty was imposed by the Central Government vide Customs Notification No. 77/2021-Customs (ADD) dated 27.12.2021.

2. Subsequently, a supplementary final finding was issued by the Authority vide F. No.6/38/2020-DGTR dated 10th April, 2022 pursuant to the orders dated 11th January, 2022 of Hon’ble High Court of Gujarat at Ahmedabad in the Special Civil Application No. 16555 of 2021 recommending imposition of specific duty on the import of subject goods from M/s Hangzhou Huawang New Material Technology Co Ltd, China PR. The recommended definitive anti-dumping duty was imposed by the Central Government vide Customs Notification No. 15/2022-Customs (ADD) dated 24th May, 2022.

REQUESTS FOR INITIATION OF MID TERM REVIEWS AND GROUNDS FOR REVIEW

3. Whereas, the following applications have been received from importers and exporters, under Rule 23 of the Rules for initiation of limited midterm reviews *inter alia* seeking for review of the scope of the product under consideration and redetermination of margins:

- i. M/s Hangzhou Huawang New Material Technology Co. Ltd, China PR (Producer & Exporter) & M/s Fakirsons Papchem Pvt. Ltd. (Importer)
 - ii. M/s Indian Laminates Manufacturers Association (ILMA) along with its members (importers/users) namely M/s Century Plyboards (India) Ltd, M/s Merino Industries Ltd, M/s JKS Décor Paper LLP and M/s Thansau Decors Pvt Ltd
4. In their application M/s Hangzhou Huawang have provided positive information with regard to the changed circumstances such as changes in cost and prices of the basic raw materials and other inputs, changes in volume, values of the subject goods exported by them after imposition of the duties significantly affecting their normal values and export prices which warrants re-determination of their margins.
 5. In their application ILMA along with its members (importers/users) have sought review of the product scope on which the duty has been imposed on the grounds that there is an anomaly in the product description in the final findings dated 10th April, 2022, corrigendum notification dated 8th October, 2021 and the supplementary final finding dated 10th April, 2022 and the customs notification No. 77/2021-Customs (ADD) dated 27.12.2021 and No. 15/2022-Customs (ADD) dated 24th May, 2022 particularly with regard to the exempted product description. It has been submitted that while the domestic industry admittedly does not produce "Printed Décor Papers" the exempted product description has been qualified with an expression "Printed Ready to-use Decor Paper" without any basis and needs to be reviewed and rectified.

INITIATION OF THE INVESTIGATION

6. Sub Rule (1) and (IA) of Rule 23 of the Anti-dumping Rules, as amended vide Customs Notification No. 15/2011 dated 1st March 2011, *inter alia*, reads as follows:
7. Any anti-dumping duty imposed under the provision of section 9A of the Act, shall remain in force, so long as and to the extent necessary, to counteract dumping, which is causing injury.
8. The Designated Authority shall review the need for the continued imposition of any anti-dumping duty, where warranted, on its own initiative or upon request by any interested party who submits positive information substantiating the need for such review, and a reasonable period of time has elapsed since the imposition of the definitive anti-dumping duty and upon such review, the Designated Authority shall recommend to the Central Government for its withdrawal, where it comes to a conclusion that injury to the domestic industry is not likely to recur, if the said antidumping duty is removed or varied and therefore no longer warranted.
9. In terms of aforesaid rules, the Authority shall review from time to time, the need for the continued imposition of anti-dumping duty and if it is satisfied on the basis of information received by it that there is no justification for continued imposition of such duty, the Authority may recommend to the Central Government for its withdrawal.

10. On the basis of the information made available by the aforementioned Applicant before the Authority, the Authority considers it *prima facie* appropriate to initiate a mid-term review of the anti-dumping duties imposed on the imports of the subject goods originating in or exported from the subject country.

PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

11. The PUC for the purpose of this MTR investigation will remain same as defined in the final findings of the Authority vide Notification F. No.6/38/2020-DGTR dated 28th September, 2021 reproduced below:

"The product under consideration is "uncoated paper in reel form of 40-130GSM, having klemm absorbency of at least 12 mm per 10 minutes, wet tensile strength of 6-12 N/15 mm, and gurley porosity of 10-40 sec / 100 ml, containing titanium dioxide or pigments as filler" (herein also referred to as "Decor paper" or "subject goods"). It is a base paper for high pressure (HPL) or low-pressure (LPL) decorative laminates, also known as decorative base paper, decorative paper for high-pressure or low-pressure laminates, coating base paper and print base paper, but excluding printed ready-to-use decor paper.

The product under consideration includes various types of decor paper, such as surfacing paper (white/off-white), liner (white / off-white), barrier paper, shuttering base, overlay paper and print base paper (color / white). It may be imported as base paper for waxing, coating and impregnation; base paper for printing; base paper for use in decorative industry and barrier paper, and may come in various sizes as 95 cm, 96 cm, 102 cm, 123 cm, 123.5 cm, 124 cm, 124.5 cm, 125 cm, 131 cm, 132 cm, 183 cm, 184 cm and 185 cm.

The product under consideration is produced from pulp, in the form of pressed sheets, which have to be slush in water to make pulp suspension so that pulp is suitable for use. During this process, fibres are separated. To produce decor paper, fibres are refined through the action of mechanical work and in the presence aqueous medium (water). Additives are added in the manufacturing process, which are used as filler in the spaces between fibres, with the aim of improving opacity, whiteness and to increase the quality of print by improving the surface. Thereafter, undesirable particles are removed through cleaning. A volume of diluted pulp suspension is next transformed into a fine, wide and uniform sheet, with all components perfectly distributed, post which the sheet is dewatered, dried and calendared. Lastly, the sheets are slotted as per the requirements, and packed.

The product under consideration is classified under the Chapter 48 of the Customs Tariff Act, 1975 (51 of 1975) under the tariff customs classification 48059100. The Authority in original finding has also considered the product under consideration

which is being imported under tariff customs classification 48022090. Both the customs classifications have been considered for the purpose of the present investigation. However, the customs classification is only indicative and is not binding on the scope of the product under consideration."

SCOPE OF INVESTIGATION

12. The Authority hereby initiates a comprehensive review investigation of the anti-dumping duties in force on the imports of "Decor Paper", originating in or exported from China PR imposed vide Customs Notification No. 77/2021-Customs (ADD) dated 27.12.2021 and Customs Notification No. 15/2022-Customs (ADD) dated 24th May, 2022. The investigation will cover all aspects of the final findings of the Authority vide notification F. No.6/38/2020-DGTR dated 28th September, 2021 and supplementary final finding issued by the Designated Authority vide notification F. No.6/38/2020-DGTR dated 10th April, 2022.

PERIOD OF INVESTIGATION

13. The period of investigation (POI) for the purpose of the present review shall be from April 2023 to March 2024. The injury investigation period will, however, cover the period of preceding three years and the POI.

SUBMISSION OF INFORMATION

14. All communication should be sent to the Authority via email addressed to adgl6-dgtr@gov.in; adv13-dgtr@gov.in; jd16-dgtr@gov.in ; jd15-dgtr@gov.in It must be ensured that the narrative part of the submission is in searchable PDF/MS-Word format and data files are in MS-Excel format.
15. The domestic industry, known producers/exporters in the subject country, the government of the subject country through its embassy in India, the importers and users in India who are known to be associated with the subject goods are being informed separately to enable them to file all the relevant information within the time limits mentioned in para 19 of this notification. All such information must be filed in the form and manner as prescribed by this initiation notification, the AD Rules, 1995 and the applicable trade notices issued by the Authority
16. Parties interested in the investigation are hereby advised to intimate their interest, (including the nature of interest) in the instant investigation and file their questionnaire response/submissions within the time limit specified above.
17. Any other interested party may also make a submission relevant to the present midterm investigation in the form and manner as prescribed by this initiation notification, the AD Rules, 1995 and the applicable trade notices issued by the Authority within the time limit mentioned in this initiation notification.
18. Any party making any confidential submission before the Authority is required to make

a non-confidential version of the same available to the other interested parties.

19. Interested parties are further advised to keep a regular watch on the official website of the Authority <http://www.dgtr.gov.in/> for any updated information with respect to this investigation.

TIME LIMIT FOR SUBMISSIONS

20. Any information relating to the present investigation should be sent to the Authority at the email addresses mentioned above within 30 days from the date of the receipt of the notice as per the Rule 6(4) of the Rules. It may, however, be noted that in terms of the explanation of the said Rule, the notice calling for the information and other documents shall be deemed to have been received one week from the date on which it was sent by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting country. If no information is received 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 AD Rules 1995.
21. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses and offer their comments to the domestic industry's application within the time limit as mentioned above.

SUBMISSION OF INFORMATION ON CONFIDENTIAL BASIS

22. Where any party to the present investigation makes confidential submissions or provides information on a confidential basis before the Authority, it is required to simultaneously submit a non-confidential version of such information in terms of Rule 7(2) of the AD Rules and in accordance with the relevant trade notices issued by the Authority in this regard.
23. Such submissions must be clearly marked as "confidential" or "non-confidential" at the top of each page. Any submission which has been made to the Authority without such markings shall be treated as "non-confidential" information by the Authority, and the Authority shall be at liberty to allow other interested parties to inspect such submissions.
24. The non-confidential version of the information filed by the interested parties should essentially be a replica of the confidential version with the confidential information preferably indexed or blanked out (where indexation is not possible) and such information must be appropriately and adequately summarized depending upon the information on which confidentiality is claimed.
25. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on a confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to a summary, and a statement of reasons containing a sufficient and adequate explanation in terms of Rule

7 of the AD Rules, 1995 and appropriate trade notices issued by the Authority, as to why such summarization is not possible, must be provided to the satisfaction of the Authority. The other interested parties can offer their comments on the confidentially claimed within 7 days of receiving the non-confidential version of the document.

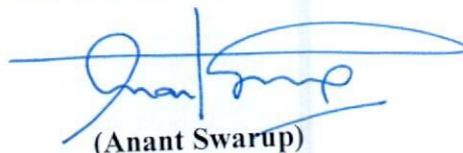
26. Any submission made without a meaningful non-confidential version therefore without a sufficient and adequate cause statement in terms of Rule 7 of the AD Rules, 1995 and appropriate trade notices issued by the Authority, on the confidentiality claim shall not be taken on record by the Authority.

SHARING OF RESPONSES/ SUBMISSIONS AMONGST OTHER INTERESTED PARTIES

27. A list of registered interested parties will be uploaded on the DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions to all other interested parties since the public file will not be accessible physically due to ongoing global pandemic.

NON-COOPERATION

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



(Anant Swarup)

Additional Secretary and Designated Authority