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**F. No. 6/11/2022-DGTR
Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Trade Remedies)
4th Floor, Jeevan Tara Building,
5, Parliament Street, New Delhi- 110001**

Dated: 30th September 2022

INITIATION NOTIFICATION

(Case No. AD (OI) -11/2022)

Subject: Initiation of anti-dumping investigation concerning imports of “Gypsum Board / Tiles with lamination at least on one side” originating in or exported from China PR, and Oman-reg.

1. F. No. 6/11/2022 –DGTR.—(1) Having regards to the Customs Tariff Act, 1975, as amended from time to time (hereinafter also referred to as the "Act") and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended from time to time (hereinafter also referred to as the "Rules" or the “Anti-Dumping Rules”), M/s Saint Gobain India Pvt. Ltd. (hereinafter also referred to as the “applicant” or the “petitioner”) has filed a petition before the Designated Authority (hereinafter also referred to as the “Authority”) seeking imposition of anti-dumping duty on the imports of Gypsum Board / Tiles with lamination at least on one side (hereinafter referred to as the “subject goods” or the “product under consideration” or “PUC”) originating in or exported from China PR and Oman (hereinafter also referred to as the “subject countries”), citing the preliminary reason of material retardation.
2. The applicant has alleged that the dumping of the product under consideration from the subject countries is materially retarding the establishment of the domestic industry in India which started commercial production in October, 2020. The applicant has submitted that the industry and the product under consideration are at a nascent stage. Further, the applicant has submitted that although they commenced production in October, 2020, they have not been able to find a place in the market yet.
3. The present petition being that of material retardation to the establishment of the domestic industry, it would be appropriate to compare the projected performance of the domestic industry with the present or the potential performance, considering the price of the imports. A

project report, which was prepared by the applicant before the plant was set up, has been submitted with the petition. The same has been considered for the purpose of evaluating the merits of the petition.

A. Product under consideration

4. The product under consideration for the present investigation is “Gypsum Board / Tiles with lamination at least on one side”. The subject goods are also known as PVC Gypsum Tiles, Gypsum Ceiling Tiles, Ceiling Tiles, etc. Typically, PVC, Wax Paper and other similar materials are used for lamination on one side. Materials such as Metalized Polyester Film are used for lamination on the other side essentially to prevent moisture.
5. The subject goods are environmental friendly, lightweight, high-quality decorative ceiling tiles that are also fire resistant. The subject goods are predominantly used for ceilings in auditoriums, conference rooms, educational institutes, offices, boutiques, shops, commercial and residential buildings, etc. The subject goods also used as a covering material for interior walls. The subject goods are strong and long-lasting.
6. The applicant has submitted that the product under consideration is classified under Chapter 68, under sub heading 6806 9000, 6808000, 68091100, 68091900, 68099000 of Customs Tariff Act, 1975. However, the applicant has claimed that some imports are also made under custom tariff heading 70195900 and 73083000. The custom classification is indicative only and in no way it is binding upon the product scope.

B. Like article

7. The applicant has claimed that the subject goods produced by the domestic industry are the like articles to the subject goods originating in or exported from the subject countries. It has been stated that there is no significant difference in the subject goods produced by the domestic industry and those exported from the subject countries. The subject goods produced by the domestic industry are comparable to the imported goods from the subject countries in terms of technical specifications, manufacturing process & technology, functions & uses, pricing, distribution & marketing and tariff classification of the goods. The applicant has claimed that the two are technically and commercially substitutable. For the purpose of the present investigation, the subject goods produced by the domestic industry are being treated as ‘like article’ to the subject goods being imported from the subject countries.

C. Subject countries

8. The petition has been filed in respect of the dumped imports of the product under consideration from China PR and Oman.

D. Period of investigation

9. The Authority has considered 1st April, 2021 to 31st March, 2022 as the period of investigation (POI). The injury period will cover the periods 2018-19, 2019-20, 2020-21 and the period of investigation.

E. Domestic industry and standing

10. The application has been filed by M/s Saint Gobain India Pvt. Ltd. (“SGIPL”). The applicant has provided all the necessary information for the purpose of the present investigation. It is submitted by the applicant that they are in the nascent stage of production, and had imported the product under consideration in India before the commencement of commercial production and these imports were necessitated as the applicant had not commenced commercial production of the subject goods. The applicant has stated that it had declared the commercial production in October, 2020. It is further stated that post commencement of commercial production, the applicant has not imported the subject goods. The applicant has also stated that it is not related to the exporters of the subject goods from the subject countries or the importers in India. The applicant has, therefore, requested that it may be considered within the scope of the domestic industry.
11. The applicant has submitted that there are other producers of the subject goods in India. However, according to the information filed by the applicant, they had not started commercial production during the POI. From the information available on record, it is noted that the applicant accounts for 100% of the domestic production of the like article in India.
12. Considering that the domestic industry in the present case is at a nascent stage and that no imports have been made by the applicant after it declared commercial production and in the POI and that the applicant accounts for a major proportion of the total domestic production in India, the Authority is of the view that the applicant constitutes the domestic industry as defined under Rule 2(b) of the Anti-Dumping Rules, and the petition satisfies the requirement of standing in terms of Rule 5(3) of the Anti-Dumping Rules.

F. Normal value for China PR

13. The applicant has claimed that China PR should be treated as a non-market economy and unless the Chinese producers show that such market economy conditions prevail, their normal value should be determined in accordance with Para 7 of Annexure – I to the Anti-Dumping Rules. In this regard, the applicant has submitted that they were not able to get any reliable

information for the purpose of the normal value. The applicant has, therefore, proposed to construct the normal value for China PR on the basis of the best available information, having regard to the cost of the production duly adjusted, and with a reasonable margin. The Authority, for the purpose of the initiation of the investigation, has accepted the claim of the applicant in respect of the determination of the normal value for China PR.

G. Normal value for Oman

14. The applicant has claimed that it had made efforts to determine the normal value for Oman on the basis of the direct selling price in these countries but was not able to find any evidence for the same and since there are no dedicated codes for the product under consideration, it is not possible to determine the normal value based on the exports from Oman to other countries. The applicant has, therefore, proposed to construct the normal value for Oman on the basis of the best available information, having regard to the cost of the production duly adjusted, and with reasonable margin. The authority, for the purpose of the initiation of the investigation, has accepted the claim of the applicant in respect of the determination of the normal value for Oman.

H. Export price

15. The applicant has computed the export price of the subject goods by considering the CIF price reported in the secondary source data. The price adjustments have been made on account of ocean freight, marine insurance, port expenses, bank charges, inland freight and commission. The export price claimed by the applicant is prima facie acceptable for the purpose of initiation of the investigation.

I. Dumping margin

16. The normal value and the export price have been compared at the ex-factory level, which prima facie shows that the dumping margin is above the de-minimis level and significant in respect of the product under consideration from the subject countries.

J. Material Retardation, Injury and Causal link

17. The domestic industry has claimed that it is at the nascent stage and the commercial production of the PUC was started in October, 2020 and there has been material retardation to the establishment of the industry. The information furnished by the domestic industry has been considered for assessment of injury which has materially retarded the domestic industry. There is sufficient prima facie evidence that the material retardation/injury exists and is being caused to the domestic industry by dumped imports from the subject countries which further hampered the establishment of the domestic industry.

18. On the basis of the duly substantiated written application by or on behalf of the domestic industry, and having satisfied itself on the basis of the prima facie evidence submitted by the domestic industry, about dumping of the product under consideration originating in or exported from the subject countries, material retardation/injury to the domestic industry and causal link between such alleged dumping and material retardation/injury, and in accordance with Section 9A of the Act read with Rule 5 of the Rules, the Authority, hereby, initiates an investigation to determine the existence, degree and effect of any alleged dumping in respect of the product under consideration originating in or exported from the subject countries and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the material retardation/injury to the domestic industry.

K. Procedure

19. The principles as given in Rule 6 of the Rules will be followed for the present investigation.

L. Submission of information

20. In view of the special circumstances arising out of the COVID-19 pandemic, all communication should be sent to the Designated Authority via email at email addresses adg15-dgtr@gov.in, adv11-dgtr@gov.in, jd13-dgtr@gov.in and dd15-dgtr@gov.in. It should be ensured that the narrative part of the submission is in searchable PDF/MS Word format and data files are in MS Excel format.

21. The known exporters in the subject countries, their governments through their Embassies in India, the importers and users in India known to be concerned with the subject goods and the domestic industry are being informed separately to enable them to file all the relevant information in the form and manner prescribed within the time-limit set out below.

22. Any other interested party may also make its submissions relevant to the investigation in the form and manner prescribed within the time-limit set out below on the email addresses mentioned above.

23. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other parties.

M. Time-limit

24. Any information relating to the present investigation should be sent to the Designated Authority via email at the email addresses adg15-dgtr@gov.in, adv11-dgtr@gov.in, jd13-dgtr@gov.in and dd15-dgtr@gov.in within 30 days from the date of receipt of the notice as per

Rule 6(4) of the Anti-Dumping Rules. It may, however, be noted that in terms of explanation of the said Rule, the notice calling for information and other documents shall be deemed to have been received within 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 Rules.

25. 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 within the above time limit.
26. The interested parties are further advised to keep a regular watch on the official website of DGTR at www.dgtr.gov.in for any updated information with respect to this investigation.

N. Submission of information on a confidential basis

27. Any party making any confidential submission or providing information on a confidential basis before the Authority, is required to simultaneously submit a non-confidential version of the same in terms of Rule 7(2) of the Rules and the Trade Notices issued in this regard. Failure to adhere to the above may lead to rejection of the response / submissions.
28. The parties making any submission (including Appendices/Annexes attached thereto), before the Authority including questionnaire response, are required to file Confidential and Non-Confidential versions separately.
29. The “confidential” or “non-confidential” submissions must be clearly marked as “confidential” or “nonconfidential” at the top of each page. Any submission made without such marking shall be treated as nonconfidential by the Authority, and the Authority shall be at liberty to allow the other interested parties to inspect such submissions.
30. The confidential version shall contain all information which is by nature confidential and/or other information which the supplier of such information claims as confidential. For information which are claimed to be confidential by nature or the information on which confidentiality is claimed because of other reasons, 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.
31. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out (in case indexation is not feasible) and 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, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority. The other interested parties can offer their comments on the confidentiality claimed within 7 days of receiving the non-confidential version of the document.

32. 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 if 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.
33. Any submission made without a meaningful non-confidential version thereof or without good cause statement on the confidentiality claim shall not be taken on record by the Authority.
34. 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.

O. Inspection of Public File

35. A list of all registered interested parties will be uploaded on 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 Covid-19 pandemic.

P. Non-cooperation

36. 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)
Joint Secretary & Designated Authority