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**F. No. 7/2/2021 -DGTR  
Government of India  
Department of Commerce  
Ministry of Commerce & Industry  
Directorate General of Trade Remedies  
Jeevan Tara Building, Parliament Street, New Delhi – 110001**

Dated 7<sup>th</sup> June, 2021

**INITIATION NOTIFICATION**

**(Case No. SSR-AD-03/2021)**

**Subject: Initiation of sunset review anti-dumping investigation concerning imports of “Plain Medium Density Fibreboard having thickness 6mm and above” from Vietnam.**

1. Greenply Industries Limited/Greenpanel Industries Limited and Rushil Decor Limited (hereinafter referred to as the ‘applicants’) have filed an application before the Designated Authority (hereinafter referred to as the “Authority”), on behalf of the domestic industry, in accordance with the Customs Tariff Act, 1975 as amended in 1995 and thereafter (hereinafter referred 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 referred as the “Rules”), for initiation of sunset review investigation concerning imports of “Plain Medium Density Fibreboard having thickness 6mm and above” (hereinafter referred to as ‘subject goods’ or ‘product under consideration’) originating in or exported from Indonesia and Vietnam.
2. The Applicants have alleged likelihood of continuation or recurrence of dumping of subject goods, originating in and exported from the subject countries and consequent injury to the domestic industry and have requested for review and continuation of the anti-dumping duty imposed on the imports of subject goods, originating in or exported from the subject countries.

**A. Background**

3. The Authority had initiated the original investigation concerning imports of the subject goods from Indonesia and Vietnam vide Notification No. 14/23/2014- DGAD dated 7<sup>th</sup> May, 2015. The Final Findings Notification was issued by the Authority vide Notification No. 14/23/2014-DGAD dated the 5<sup>th</sup> May, 2016, recommending imposition of anti-dumping duty. On the basis of the recommendations made by the Authority in the final findings, the duty was imposed by the Central Government vide

Notification No. 34/2016- Customs(ADD) dated 14<sup>th</sup> July, 2016 on the imports of the subject goods, originating in or exported from the subject countries.

**B. Product under Consideration**

4. The product under consideration as in the original investigation is "Plain Medium Density Fibre board having thickness of 6mm or more". The Designated Authority defined the product under consideration in the Final Findings of the previous investigation as follows:

*"4. The product under consideration in the present investigation is "Plain Medium Density Fibre Board (MDF) having thickness of 6mm and above". MDF is also known as Plain MDF Board, or Custom-wood, or Craft-wood in market parlance. Plain Medium Density Fibre board, or Plain MDF Board is a composite wood product made out of wood waste fibres glued together with urea formaldehyde resin or melamine resin under heat and pressure. It is widely used for partitions, modular furniture, cabinets etc. due to its smooth and uniform finish. The product is produced in two types, i.e. plain and laminated. MDF board is processed further, such as painted, laminated by veneer etc. to obtain laminated MDF Board. Product scope of the present petition does not include laminated MDF Board.*

*5. Plain Medium Density Fibre Board is normally produced and sold in standard sizes, and is used by cutting as per size and design requirement of the user. The standard thickness in which it is produced and sold are 1.2mm to 25mm and standard size is 8X4. The thickness can be modified to suit customer requirements. The product under consideration is of thickness of above 6mm only. In industry parlance, the boards are divided into "thick" and "thin". The product under consideration is described as "thick" MDF."*

5. The present investigation being a sunset review investigation, product under consideration remains the same as defined in the previously conducted investigation. The product under consideration is classified under Chapter 44 of the Customs Tariff Act, 1975 under the heading 4411. The product under consideration is covered under ITC HS Codes 44111300 and 44111400 at 8-digit level. The Customs classification is only indicative and is not binding on the scope of the product under consideration.

**C. Like Article**

6. The Applicants have claimed that the subject goods, which are being dumped into India, are identical to the goods produced by the domestic industry. There are no differences either in the technical specifications, quality, functions or end-uses of the dumped imports and the domestically produced subject goods. The two are technically and commercially substitutable and hence should be treated as 'like article' under the Rules. Therefore, for the purpose of the present investigation, the

subject goods produced by the Applicants in India are being treated as 'Like Article' to the subject goods being imported from the subject country.

**D. Domestic Industry**

7. The application has been filed by M/s Greenply Industries Limited/ M/s Greenpanel Industries Limited and Rushil Decor Limited. The Applicants have claimed that they neither imported the subject goods from the subject countries nor are related to any exporter or producer of subject goods in the subject country or any importer of the PUC in India. Considering the information on record, Applicants account for "a major proportion" of the Indian production. The Authority has, therefore, considered the Applicants as Domestic Industry within the meaning of the Rule 2 (b) and Rule 5 (3) of the Rules.

**E. Likelihood of Continuation or Recurrence of Dumping**

**Normal value**

8. The Applicants have claimed normal value in Vietnam and Indonesia on the basis of prices prevailing in respective countries, based on prices reported in a Market Research Report.

**Export price**

9. The export price for subject goods for the subject countries is based on Directorate General of Commercial Intelligence and Statistics (DGCI&S) transaction-wise import data. In case Vietnam adjustments have been made for ocean freight, marine insurance, commission, inland freight expenses, port expenses and bank charges. As regards Indonesia, there are no imports of the product in the POI.

**Dumping margin**

10. Considering the normal value and export price determined as above, dumping margin has been determined, in accordance with Section 9 A(1)(a) of the Act. It is noted that dumping margin of Vietnam is not only above de minimis level, but also significant. It is seen that whereas the product exported from Vietnam is at a price below normal value during the POI, resulting in continued dumping. In case of Indonesia, there is no current import.

**Likelihood of Continuation or Recurrence of Injury and Causal Link**

11. The domestic industry has claimed that its performance has deteriorated in terms of capacity utilization, price depression and suppression, price undercutting, profit before tax, cash profit and return on capital employed during relevant period due to dumped imports from Vietnam. The Applicants have further provided information with regard to the surplus capacities, inventories, export orientation, capacity expansions, and volume of dumped and injurious exports from Indonesia to rest of the

world. There is prima facie evidence of likelihood of continuation of dumping from Vietnam only and consequent injury to the domestic industry in the event of cessation of duty, to justify initiation of the present review investigation.

**F. Initiation of Sunset Review Investigation**

12. Therefore, on the basis of the duly substantiated application, and having satisfied itself, on the basis of the prima facie evidence submitted by the domestic industry, substantiating the likelihood of continuation/ recurrence of dumping and injury, and in accordance with Section 9A(5) of the Act read with Rule 23 (1B) of the Rules, the Authority hereby initiates a sunset review investigation to review the need for continued imposition of the duties in force in respect of the subject goods, originating in or exported from the subject countries and to examine whether the expiry of such duty is likely to lead to continuation or recurrence of dumping and injury to the domestic industry.

**G. Subject Country**

13. The subject country in the present sunset review investigation is Vietnam.

**H. Period of Investigation**

14. The period of investigation for the present investigation is 1<sup>st</sup> July 2019 – 31<sup>st</sup> December 2020 (18 months). The reason for adopting period of investigation of 18 months is appropriate since it is recent enough (i.e., not more than 6 months old) and includes period prior to and subsequent to countrywide lockdown imposed on account of COVID-19 pandemic. The injury period under investigation will, however, cover the periods 1st April, 2016 - 31st March 2017, 1st April, 2017 - 31st March 2018, 1st April, 2018 – 30th June, 2019 and the period of investigation.

**I. Procedure**

15. The review will cover all aspects of the final findings published vide Notification No. 14/23/2014-DGAD dated 5<sup>th</sup> May, 2016 recommending imposition of anti-dumping duty on imports of subject goods from the subject countries.
16. The provisions of Rules 6, 7, 8, 9, 10, 11, 16, 17, 18, 19 and 20 of the Rules supra shall be mutatis mutandis applicable in this review.

**J. Submission of Information**

17. In view of the special circumstances arising out of COVID-19 pandemic, all communication should be sent to the Designated Authority via email at email address [adg12-dgtr@gov.in](mailto:adg12-dgtr@gov.in), [adv13-dgtr@gov.in](mailto:adv13-dgtr@gov.in), [jd13-dgtr@gov.in](mailto:jd13-dgtr@gov.in) and [dd14-dgtr@gov.in](mailto:dd14-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.
18. The known producers/exporters in the subject countries, Government of the subject countries 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.

19. 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.
20. 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.
21. Interested parties are further advised to keep a regular watch on the official website of the Designated Authority <http://www.dgtr.gov.in/> for any updated information with respect to this investigation.

#### **K. Time Limit**

22. Any information relating to the present investigation should be sent to the Designated Authority via email at the email addresses [adg12-dgtr@gov.in](mailto:adg12-dgtr@gov.in), [adv13-dgtr@gov.in](mailto:adv13-dgtr@gov.in), [jd13-dgtr@gov.in](mailto:jd13-dgtr@gov.in) and [dd14-dgtr@gov.in](mailto:dd14-dgtr@gov.in) within 30 days from the date of the receipt of the notice as per the Rule 6(4) of the Rules. 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.
23. 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.

#### **L. Submission of Information on Confidential Basis**

24. Any party making any confidential submission or providing information on 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. Failure to adhere to the above may lead to rejection of the response / submissions.
25. The parties making any submission (including Appendices/Annexures attached thereto), before the Authority including questionnaire response, are required to file Confidential and Non-Confidential versions separately.
26. The “confidential” or “non-confidential” submissions must be clearly marked as “confidential” or “non-confidential” at the top of each page. Any submission made without such marking shall be treated as non-confidential by the Authority, and the Authority shall be at liberty to allow the other interested parties to inspect such submissions.
27. 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 is 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.
28. 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.

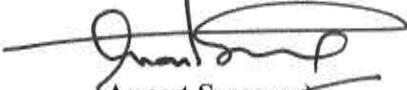
29. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or if the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.
30. 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.
31. 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.

**M. Sharing of responses/ submissions amongst interested parties.**

32. A list of 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 pandemic.

**N. Non-Cooperation**

33. 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.

  
(Anant Swarup)  
Designated Authority