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**F. No. 06/35/2023 - DGTR  
Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Directorate General of Trade Remedies  
4<sup>th</sup> Floor, Jeevan Tara Building, Parliament Street, New Delhi-110001**

Dated: 28.08.2024

**NOTIFICATION  
PRELIMINARY FINDINGS  
CASE NO. AD(OI)-31/2023**

**Subject: Preliminary Findings – Anti-dumping investigation concerning imports of “Aluminium foil upto 80 micron, excluding aluminium foil below 5.5 micron for non-capacitor application” originating in or exported from China PR.**

**F. No. 06/35/2023-DGTR:** Having regard to the Customs Tariff Act 1975 as amended from time to time (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 thereof, as amended from time to time (hereinafter referred as the ‘AD Rules’ or the ‘Anti-dumping Rules’ or the ‘Rules’).

**A. BACKGROUND OF THE CASE**

1. M/s Hindalco Industries Ltd., M/s Shyam Sel & Power Ltd, M/s Shree Venkateshwara Electrocast Pvt. Ltd., M/s Ravi Raj Foils Ltd., M/s GLS Foils Product Pvt. Ltd., and M/s LSKB Aluminium Foils Pvt. Ltd. (hereinafter referred to as the "applicants" or the "petitioners") filed an application, in the form and manner prescribed before the Designated Authority (hereinafter also referred to as the "Authority") in accordance with the Customs Tariff Act, 1975 and the Anti-Dumping Rules, for initiation of an anti-dumping investigation and imposition of anti-dumping duty on imports of “aluminium foil upto 80 micron, excluding aluminium foil below 5.5 micron for non-capacitor application” (hereinafter also referred to as the “aluminium foil” or “subject goods” or the “product under consideration”) originating in or exported from China PR (hereinafter also referred to as the "subject country").
2. The Authority had earlier conducted an original anti-dumping investigation concerning imports of "aluminium foil ranging from 5.5 micron to 80 micron" originating in or exported from China PR which was initiated vide Notification no. 14/06/2015-DGAD dated 15<sup>th</sup> December, 2015. The Authority recommended imposition of definitive duty

vide Notification no. 14/06/2015-DGAD, dated 10<sup>th</sup> March, 2017. The Ministry of Finance (MoF) thereafter imposed duties vide Customs Notification No. 23/2017-Customs (ADD), dated 16<sup>th</sup> May, 2017.

3. The Authority later conducted the first sunset review investigation which was initiated vide Notification no. 7/27/2021-DGTR dated 16<sup>th</sup> September, 2021. The Authority notified the final findings recommending continuation of duty vide Notification no. 7/27/2021-DGTR dated 14<sup>th</sup> March, 2022. The Ministry of Finance, however, did not accept the recommendation accordingly, the duties ceased to exist after 15<sup>th</sup> May, 2022.
4. Based on an application filed by the domestic industry, the Authority recommended imposition of anti-dumping duty vide final finding no. 06/21/2020-DGTR dated 18<sup>th</sup> June, 2021, on imports of “aluminium foil below 80 microns” from Thailand, Malaysia, Indonesia and China PR (excluding aluminium foil 5.5-80 microns from China PR). This recommendation was accepted by Ministry of Finance vide Customs Notification no. 51/2021-customs (ADD) dated 16<sup>th</sup> September., 2021. This duty continues to exist till date and upto 15<sup>th</sup> September, 2026. The present applicants have also submitted an application requesting re-evaluation of dumping and injury margins. Accordingly, the Authority has initiated a mid-term review of anti-dumping duty imposed on the imports of "Aluminium foil below 80 microns" from Thailand, vide notification no. 7/3/2024-DGTR dated 29<sup>th</sup> March 2024. This investigation is underway.
5. The applicants again approached the Authority, after expiry of duty on "Aluminium foil ranging from 5.5 micron to 80 micron" from China PR, submitting that post expiry of duties, the subject imports have again started to enter the Indian market at dumped prices in huge volumes and resultantly causing material injury to the domestic industry. The Authority, on the basis of sufficient *prima facie* evidence submitted by the applicants, issued a public notice vide Notification No. 06/35/2023- DGTR dated 21<sup>st</sup> March, 2024, initiating the subject investigation in accordance with Rule 5 to determine the existence, degree and effect of the alleged dumping and to recommend the amount of anti-dumping duty which if levied, would be adequate to remove the alleged injury to the domestic industry.

## **B. PROCEDURE**

6. The procedure described below has been followed with regards to this investigation:
  - i) The Authority notified the embassy of the subject country in India about the receipt of the present anti-dumping application before proceeding to initiate the investigation in accordance with Rule 5(5) of the Anti-Dumping Rules.
  - ii) The Authority, on the basis of sufficient *prima facie* evidence submitted by the applicants, vide notification no.06/35/2023-DGTR dated 21<sup>st</sup> March, 2024 published a public notice in the Gazette of India, Extraordinary, initiating an anti-dumping investigation concerning imports of the subject goods from the subject country.

- iii) The Authority forwarded a copy of the public notice along with the questionnaires to the embassy of the subject county in India, all known exporters, importers and users (whose details were made available by the applicants) and gave them the opportunity to make their views known in writing in accordance with Rule 6(2) of the anti-dumping rules.
- iv) The Authority provided a copy of the non-confidential version of the application to the known exporters and the embassy of the subject country in accordance with Rule 6(3) of the anti-dumping Rules. A copy of the application was also provided to the other interested parties, as requested.
- v) The Authority sent questionnaire to elicit relevant information to the following known producers/exporters in the subject country in accordance with Rule 6(4) of the AD rules:

<b>SN</b>	<b>Producer/ Exporter</b>
1.	Dingsheng Aluminium Industries Hong Kong Trading
2.	Dong Guan Kai Yuan Plastication Technology Co. Ltd.
3.	Fengcheng Huaqiang Machinery Co. Ltd.
4.	Henan Mingtai Technology Development Co. Ltd.
5.	Guangzhou Mywow Decor Co. Ltd.
6.	Luoyang Longding Aluminium Industries Co. Ltd.
7.	M Kunshan Aluminium Co. Ltd.
8.	Shandong Mingda Packing Product Co. Ltd.
9.	Jiangyin Bondtape Technology Corporation
10.	Hugematic Industries Co. Ltd.
11.	Jiangsu Dingsheng New Materials Joint-Stock Co. Ltd.
12.	Jiangsu Fengyuan Aluminium Master Technology Co. Ltd.
13.	Ms Zhengzhou Mingtai Industry Co. Ltd.
14.	Peixian Fengyuan Import and Export Trade Co. Ltd.
15.	Qingdao Donghai Aluminium Co. Ltd.
16.	Shandong Deli Aluminium Technology Co. Ltd.
17.	TJPFTZ L.X. International Trading Co. Ltd.
18.	Victory Food Specialities FZE
19.	Wuxi Myriad Corporation
20.	Hebei North China Aluminium Co. Ltd.
21.	Xiamen Kolysen Packaging Integration Co Ltd
22.	Yunnan Haoxin Aluminum Foil Co. Ltd
23.	Zhangzhou Banruo Import Export Co. Ltd.
24.	Zhengzhou Mingtai Industry Co. Ltd.
25.	Dingsheng Aluminium Industrial Co. Ltd.
26.	Xiamen Xiashun Aluminium Foil Co. Ltd.
27.	Jiangsu Alcha Aluminium Co. Ltd.
28.	Arconic (Kunshan) Aluminium Products Co., Ltd

- vi) Following producers/exporters from the subject country have filed the exporter's questionnaire response or made any submissions:

<b>SN</b>	<b>Responding Producer/ Exporter</b>
1.	ATEC New Material Industry Co. Limited
2.	Daching Enterprises Ltd.
3.	Dingsheng Aluminium Industries (Hong Kong) Trading Co. Ltd.
4.	Hangzhou Dingsheng Import and Export Co. Ltd.
5.	Hangzhou Five Star Aluminium Co. Ltd.
6.	Henan Mingsheng New Material Technology Co. Ltd.
7.	Henan Mingtai Technology Development Co. Ltd.
8.	Inner Mongolia Lian Shen New Energy Co. Ltd.
9.	Jiangsu Dingsheng New Materials Joint Stock Co. Ltd.
10.	Jiangsu Fengyuan Aluminium Master Technology Co. Ltd.
11.	Jiangsu Zhongji Lamination Materials Co. (HK) Ltd.
12.	Jiangsu Zhongji Lamination Materials Co. Ltd.
13.	Kunshan Aluminium Co. Ltd.
14.	Longding Global (Singapore) PTE Ltd.
15.	Luoyang Longding Aluminium Industrial Co. Ltd.
16.	Luoyang Wanji Aluminium Processing Co. Ltd.
17.	Peixian Fengyuan Import and Export Trade Co. Ltd.
18.	Shangdong Deli Aluminium Technology Co. Ltd.
19.	Shanghai Sunho Aluminium Foil Co. Ltd.
20.	Sunho New Materials Technology Co. Ltd.
21.	Tetra Pak Beijing Company Limited
22.	Tetra Pak Global Supply SA
23.	Tetra Pak Jurong Pte Ltd.
24.	Xiamen Xiashun Aluminium Foil Co. Ltd.

vii) Questionnaires were also sent to the following known importers/users of the subject goods in India seeking necessary information in accordance with Rule 6(4) of the AD Rules:

<b>SN</b>	<b>Importer/ User</b>	<b>SN</b>	<b>Importer/ User</b>
1.	Ace Overseas	2.	Merino Industries Ltd.
3.	Aar Dee Industries	4.	Modern Laminators Pvt. Ltd.
5.	Ajanta Pack Mart Pvt Ltd	6.	Mohan Mutha Polytech Pvt. Ltd.
7.	ACG Pharmapack Pvt. Ltd.	8.	Montage Enterprises Pvt. Ltd.
9.	Aero Incorporation	10.	Montex Glass Fibre Ind Pvt. Ltd.
11.	Air India Ltd.	12.	Nagreeka Indcon Products Pvt. Ltd.
13.	DB International	14.	Nobel Chocolatz
15.	Alstone Industries Pvt. Ltd.	16.	Oswal Extrusion Ltd.
17.	Alufoil Products Pvt. Ltd.	18.	Parikh Packaging Pvt. Ltd.
19.	Alutech Packaging Pvt. Ltd.	20.	Polybond Insulation Pvt. Ltd.
21.	Ansapack Pvt. Ltd.	22.	Pragya Flexi Film Industries

<b>SN</b>	<b>Importer/ User</b>	<b>SN</b>	<b>Importer/ User</b>
23.	Asawa Insulation Pvt. Ltd.	24.	Printmann Offset Pvt. Ltd.
25.	Ashoka Tessiles	26.	Purity Flex Pack Ltd.
27.	Audax Protective Fabrics Pvt. Ltd.	28.	R S Foils Pvt. Ltd.
29.	Av Enterprises	30.	Radhika Exports Corporation
31.	Balaji Packaging Company	32.	Raheja Polymers & Chemicals
33.	Bilcare Ltd.	34.	Ram Kishore Nagarmal Marketing Pvt. Ltd.
35.	Essel Thermoware Pvt. Ltd.	36.	Raviraj Foils Ltd.
37.	Essel Propack Ltd.	38.	Rockdude Impex Pvt. Ltd.
39.	Futuristic Marketing Solutions	40.	Royal International
41.	G L S Films Industries Pvt. Ltd.	42.	S L Packaging Pvt. Ltd.
43.	Gajra Glass Fibre Pvt. Ltd.	44.	Sanwariya Packaging Pvt. Ltd.
45.	Geep Industries India Pvt. Ltd.	46.	SAPL Steel LLP
47.	GK Enterprises Pvt. Ltd.	48.	Satnam Print N PAC
49.	Greenberry Foils India Ltd.	50.	Sharbin International
51.	Gujarat Polyfilms Pvt. Ltd.	52.	Shell N Tube Pvt. Ltd.
53.	Heena Roto Prints	54.	Shree Mahavir Sales Corporation
55.	Hind Foils LLP	56.	Shree Rama Multitech Ltd.
57.	Hind Global	58.	Siddhee Products Pvt. Ltd.
59.	Homemade Bakers India Ltd.	60.	Silver Foils Pvt. Ltd.
61.	Huhtamaki Ppl Ltd.	62.	Sipla Solutions
63.	Inox India Pvt. Ltd.	64.	SMV Impex
65.	International Traders	66.	SNS Overseas Pvt. Ltd.
67.	Jash Packaging Co.	68.	Sorich Foils Ltd.
69.	Flora Industries	70.	Sparsh Packagings Pvt. Ltd.
71.	International Traders	72.	Svam Toyal Packaging Industries Pvt. Ltd.
73.	Jindal India Ltd.	74.	Sri Venkateshwara Coil Mill Pvt. Ltd.
75.	Jupiter Laminators Pvt. Ltd.	76.	Sterlite Technologies Ltd.
77.	Kap Cones Pvt. Ltd.	78.	Super Packagings
79.	Kinjal Impex	80.	Suvjay Industries India LLP
81.	ITC Ltd.	82.	Synthiko Foils Ltd.
83.	Kanodia Technoplast Ltd.	84.	Tania Polyfilms Pvt. Ltd.
85.	KH Exports India Pvt. Ltd.	86.	TCPL Packaging Ltd.
87.	Kflex India Pvt. Ltd.	88.	ZAF Overseas LLP
89.	Kinjal Impex	90.	The Supreme Industries Ltd.
91.	Kuloday Udyog	92.	Thermal Engitech Pvt. Ltd.
93.	Mahavir Paper Trading Co.	94.	Thermoplast Pvt. Ltd.
95.	Lily Pins Pvt. Ltd	96.	Viva Composite Panel Pvt. Ltd.
97.	Mahesh Metalloys Pvt. Ltd.	98.	Trafomec India Pvt. Ltd.
99.	Malindi Retail Pvt. Ltd.	100.	Trendz International

<b>SN</b>	<b>Importer/ User</b>	<b>SN</b>	<b>Importer/ User</b>
101.	Marudhar Industries Ltd.	102.	True Value International
103.	Maruti Paper India Company	104.	Uflex Ltd.
105.	Masters India Pvt. Ltd.	106.	Unitech Enterprise Pvt. Ltd.
107.	Mazda Agencies	108.	United Breweries Ltd.
109.	Medicap Healthcare Ltd.	110.	U.P. Twiga Fiberglass Ltd.
111.	Shrinath Rotopack Pvt. Ltd.	112.	Vishal Containers Ltd.

viii) Following importers/user have filed the importer's questionnaire response or made any submissions:

<b>SN</b>	<b>Responding Importer/user</b>
1.	Amcor Flexibles India Private Limited
2.	Asawa Insulations Pvt Ltd
3.	Caprihans India Ltd.
4.	Dalfo Flexicap Pvt. Ltd.
5.	Eminent Trade and Export Pvt. Ltd.
6.	Indian Flexible Packaging & Folding Carton Manufacturers Association
7.	Jewel Packaging P Ltd.
8.	Jil Pack
9.	Montage Enterprises Private Limited
10.	Nagreeka Indcon Products (P) Ltd.
11.	Paharpur Cooling Towers Limited
12.	Paharpur 3P Pvt. Ltd.
13.	Paramount Universal Pvt. Ltd.
14.	Ram Kishore Nagarmal Marketing Pvt. Ltd.
15.	Rockdude Impex Pvt. Ltd.
16.	Silver Foils Pvt. Ltd.
17.	Suvjay Industries India LLP
18.	Tetra Pak India Pvt. Ltd.
19.	UFLEX Limited
20.	ACG Pharmapack Pvt. Ltd.

- ix) The period of investigation for the purpose of the present investigation is 1<sup>st</sup> October, 2022 to 30<sup>th</sup> September, 2023 (12 months) (hereinafter referred to as the “period of investigation” or “POI”). The injury analysis period included the period of investigation and the preceding years, 2019-20, 2020-21, 1<sup>st</sup> April 2021- 30<sup>th</sup> September 22 (annualized).
- x) The Authority vide para 7 of the initiation notification dated 21<sup>st</sup> March, 2024 granted an opportunity to the interested parties to present their comments on the scope of the product under consideration and product control number (PCN) within 15 days of initiation which ended on 5<sup>th</sup> April., 2024. All the submissions made by the interested parties with regard to the scope of the product under consideration or for the construction of PCN, within the stipulated time period, were considered. Accordingly, the Authority vide notification dated

6<sup>th</sup> June, 2024, proceeded to clarify the scope of the PUC and PCNs, as proposed in the initiation notification.

- xi) The Authority issued an economic interest questionnaire (EIQ) to all interested parties and the concerned ministry. Response to EIQ has only been submitted by the domestic industry.

SN	Responding Exporter/Importer
1.	ATEC New Material Industry Co. Limited, Hong Kong
2.	Dalfo Flexipack Pvt. Ltd.
3.	Dingsheng Aluminium Industries (Hongkong) Trading Co. Limited
4.	Eminent Trade & Export Pvt. Ltd.
5.	Hangzhou Dingsheng Import & Export Co. Ltd.
6.	Hangzhou Five Star Aluminium Co. Ltd.
7.	Inner Mongolia Lian Sheng New Energy Material Co. Ltd.
8.	Jiangsu Dingsheng New Materials Joint-Stock Co. Ltd.
9.	Jiangsu Zhongji Lamination Materials Co. (HK) Limited
10.	Jiangsu Zhongji Lamination Materials Co. Ltd.
11.	Longding Global (Singapore) Pte Ltd.
12.	Luoyang Longding Aluminium Industries Co. Ltd.
13.	Nagreeka Indcon Products (P) Ltd.
14.	Paramount Universal Pvt. Ltd.
15.	Rockdude Impex Private Limited
16.	Shandong Deli Aluminium Technology Co. Ltd.
17.	Shanghai Sunho Aluminium Foil Co. Ltd.
18.	Silver Foils Private Limited
19.	Sunho New Materials Technology Co. Ltd.
20.	Suvjay Industries India LLP
21.	Tetra Pak Beijing Company Limited
22.	Tetra Pak Global Supply SA
23.	Tetra Pak India Pvt. Ltd.
24.	Tetra Pak Jurong Pte Ltd.

- xii) The information provided by the interested parties on a confidential basis was examined with regard to the sufficiency of such claims. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted, and such information has been considered confidential and not disclosed to the other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide sufficient non-confidential version of the information filed on confidential basis.
- xiii) The Authority sought further information from the producers to the extent deemed necessary. The desk verification of the data provided by the domestic industry was conducted to the extent considered necessary for the purpose of the present investigation.

- xiv) A list of all the interested parties was uploaded on the DGTR website along with the request to all of them to email the non-confidential version of their submissions to all the other interested parties along with the investigation team.
- xv) The Non-Injurious Price (NIP) has been determined based on the cost of production and cost to make and sell the subject goods in India based on information furnished by the domestic producers on the basis of Generally Accepted Accounting Principles (GAAP) and Annexure III to the Rules so as to ascertain whether anti-dumping duty lower than the dumping margin would be sufficient to remove injury to the domestic industry.
- xvi) The Authority has considered all the arguments raised and information provided by all interested parties up to this stage, to the extent the same are supported with evidence and considered relevant to the present investigation. The Authority will further examine the evidentiary documents submitted by the interested parties subsequent to preliminary findings, which will form the basis for conclusions at the time of final findings.
- xvii) Wherever an interested party has refused access to or has otherwise not provided necessary information during the course of the present investigation, or has significantly impeded the investigation, the Authority has recorded its observation on the basis of the facts available.
- xviii) \*\*\* in this preliminary finding represents information furnished by an interested party on confidential basis, and so considered by the Authority under the Rules.
- xix) Exchange rate considered for the POI for conversion of USD to Indian Rupees is 1 USD = Rs. 83.21.

### **C. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE**

7. The product under consideration (hereinafter also referred to as the “PUC”) as defined at the stage of initiation was as follows:

2. *The product under consideration in the present application is "aluminium foil" (hereinafter also referred to as "subject goods" or "product under consideration" or "PUC"), excluding the following:*

- i. **Aluminium foil below 5.5 microns from China PR for non-capacitor applications.** *Aluminium foil for capacitors applications' below 5.5 microns is within the scope of the product under consideration. This was specifically excluded in the anti-dumping duty investigation conducted on "aluminium foil 80 microns and below originating in or exported from China PR, Malaysia, Thailand and Indonesia."*
- ii. **Ultra-Light Gauge Converted foil meant for use in insulation, spices packing' thermal fluid lines covering and tea bags application -** *Ultra Light Gauge Converted foil is an aluminium foil having thickness of 5.5 micron to 7 micron and is backed with kraft paper & scrim, or glass cloth, whether plain or printed for use in insulation, spices packing, thermal fluid lines covering and tea bags application.*
- iii. **Etched or formed aluminium foils meant for electrolytic capacitor -** *Etched or formed aluminium foils is aluminium foil meant to be used in the manufacture of electrolytic capacitor.*



- iv. **Aluminium composite panel meant for facade cladding and signage applications** - Aluminium composite panel is a non-aluminium core (often PE) bonded between two thin layers of aluminium, for use in facade cladding and signage.
- v. **Clad with compatible non clad aluminium foil** - Clad with compatible non clad aluminium foil is a corrosion-resistant aluminium sheet formed from aluminium surface layers metallurgically bonded to high-strength aluminium alloy core material for use in engine cooling and air conditioner systems in automotive industry; such as radiator, condenser, evaporator, intercooler, oil cooler and heater.
- vi. **Aluminium foil for beer bottle** - aluminium foil of 10.5 micron with rough surface and perforated whether printed or not; to be used in beer bottle.
- vii. **Aluminium- manganese- silicon based and/ or clad aluminium- manganese silicon-based alloys, whether clad or unclad- with post brazing yield strength greater than 35 MPA, falling under tariff heading 7607 for use in heat exchangers including radiators, charge air coolers, condensers, oil coolers, heater cores, evaporators, heat ventilation and air conditioning (HVAC) systems and parts thereof.**
- viii. Adhesive tapes
- ix. Colour coated aluminium foil

8. Aluminium foil is used extensively for protection, storage, and preparation of foods and beverages. It is used as a packaging material, for conservation and preservation of edible and food products.
9. The product under consideration is classified under subheading 7607 of the Customs Tariff Act. Imports of the subject goods are entering into India under the following codes 76071190, 76072090, 76072010, 76071110, 76071999, 76071991, 76071995, 76071910, 76071994, 76071993 and 76071992. The customs classification is indicative and is not binding on the scope of the product under consideration.
10. The applicants have proposed the following product control numbers (PCNs), in the application filed:

SN	Type of Foil	Micron Range	Bare / Converted
1	Alu Alu Stock	45-60	Bare Foil
2	House Foil	8 - 22	Bare Foil
3	Light Gauge (LG)	7 - < 20	Bare Foil
4	Medium Gauge (MG)	20-60	Bare Foil
5	Semi Rigid Container (SRC)	30 - 80	Bare Foil
6	Ultra-Light Gauge Bare	5.5 - <7	Bare Foil
7	Battery Foil	9 - 20	Bare Foil
8	Capacitor	4.5 - 20	Bare Foil
9	Any other Bare Foil (Not falling within 1-8)		Bare Foil

10	Cigarette Foil	$\leq 7$	Converted
11	House Foil Converted	8 - 22	Converted
12	SRC Converted	30 - 80	Converted
13	Medium Gauge (MG) Converted	20-60	Converted
14	Light Gauge (LG) Converted	7 - $< 20$	Converted
15	Battery Foil Converted	9 - 20	Converted
16	Alu Alu Converted/ laminated	45-60	Converted
17	Any other converted Foil (Not falling within 10-16)		Converted

11. The parties were requested to offer their comments on the PUC and propose PCNs, if any, within 15 days of circulation of the non-confidential version of the application filed before the Authority.
12. The comments on the scope of PUC and PCN methodology were received from various interested parties after the initiation notification was issued., A meeting was also held on 8th May 2024 to discuss the PUC and PCNs with the interested parties.

### **C.1 Views of the other interested parties**

13. The following submissions have been made by the other interested parties with regard to the scope of the product under consideration and like article:
  - a. The PUC has been defined without any reference to the thickness of the product. There is overlapping of scope of the PUC in this investigation with previous investigation.
  - b. The PUC scope is only upto 80 microns, as PCNs proposed have thickness ranging up to 80 microns, and Tariff heading 7607 only includes Aluminium foil less than 200 microns. Further, foil above 80 microns already attracts duty after investigation on FRP, and should be excluded.
  - c. Present investigation is simply a re-investigation of the previous sunset review investigation, therefore, foil below 5.5 and above 80 microns is not within the scope of the PUC. The same should be expressly noted in the definition of the PUC by the Authority.
  - d. Further, ADD is already imposed on aluminium foil below 5.5 microns therefore, the present investigation cannot cover this within its scope of the PUC.
  - e. In the original investigation “alu alu laminate” and “aluminium foil for capacitors application below 5.5 microns” were excluded. Since there is no change from the original investigation, these two should be excluded.
  - f. Even if foil for capacitor is included, range for PCN should be 4.5-20 micron. If capacitor foil below 5.5-micron foil is not within the scope, then PCN should be 5.5-20 micron.
  - g. Micron range for cigarette foil is mentioned as ‘ $\leq 7$ ’. However, foil below 5.5 micron is already subject to ADD. Therefore, PCN should be modified to “5.5-7 micron”.

- h. Clad Aluminium fin strips is classified under 7606, and the PUC is classified under 7607. The thickness of imported strip is between 0.23 mm – 0.30 mm (230 micron to 300 micron). Whereas as per customs description of 7607, it includes thickness (excluding any backing) not exceeding 0.2 mm.
- i. As per exclusions defined in the initiation notification, clad aluminium fin strips used for automotive industry is already excluded. There is no domestic supply of this product, hence clarify that clad aluminium fin strips is not included in the scope of the PUC. Alternately, modify clause 2(v) and (vii) of initiation notification stating that this “clad aluminium fin strips” under heading 7606 used for manufacture of fin tubes for use in steam condensers of dry cooling in industrial applications, is excluded.
- j. Alu alu foil stock (45-60 microns) as well as light gauge foil, should be excluded, as there is only one supplier of the product in India. There is lack of capacity in India to fulfil demand of this product. The quality being supplied by Indian producers is of sub-standard quality.
- k. The product polyurethane coated aluminium foil (“PU coated aluminium foil”) with colour on either side or both sides”, is not produced in India and has no substitutes. Indian producers are not equipped with machinery for lacquer coating. The product being imported is priced substantially above the average import price of aluminium foils. It is used for manufacturing insulated panels. Hence, the Authority has been requested to exclude polyurethane coated aluminium foil with colour on either one side or both.
- l. Micron ranges specified in PCN proposed at para 5, are limited and do not cover all possibilities for certain products like house foil and SRC. A PCN should be created to include any micron range not covered in the table, ensuring comprehensive coverage for transactions involving these products. For example range proposed for SRC is only 30-80, whereas there can be other microns for SRC. Hence, PCN should be devised to accommodate any range of micron other than 30-80 concerning SRC.
- m. Aluminium foil of alloy grade 8021, is a special grade foil critical for pharmaceutical packaging due to its unique properties. It has no substitute available for ensuring health and hygiene standards. Hindalco, is the sole producer and meets only 30% of the domestic demand, falling short of quality standards. Domestic converters require specific thickness and width which is not supplied by Hindalco. There is a risk of monopoly, supply shortage, and medicine price hikes. Therefore, this should be excluded as it has specialized application, there is demand-supply gap, limited imports, and potential impact on industry and prices.
- n. In case of aluminium foil made from alloy AA8011 and AA8079, it has been argued that the domestic industry is a mere converter of foil stock imported from China PR. The domestic industry converts foil stock with minimal value addition, leading to price distortions in converted foils. Most of the pharma customer products are registered with specific foil imported from particular supplier currently. Change in raw material grade or manufacturing process is critical – direct impact on end user’s product. Unable to switch to domestic product or offset additional costs.
- o. Ultra-light gauge aluminium foil of 6.3 micron, should be excluded as the domestic industry does not produce it and hence cannot claim injury. If included within scope,

requested to prescribe reference price form of duty even if fixed duty is recommended on other aluminium foil.

- p. The domestic producers lack capacity and quality to fully satisfy demand. Imports of ultra-light gauge aluminium foil from China PR are necessary until Hindalco's new capacity becomes operational, likely post-2026.
- q. The domestic producers fail to meet Tetra Pak's carbon emission standards due to coal-based energy sources, unlike Chinese producers shifting towards renewable energy.
- r. PCN and the scope of the investigation should be used to determine only products which are produced and sold by the applicants. Users often rely on imports when the Indian producers are unable to supply specific material in adequate volume.
- s. Users rely on imports because the domestic industry focuses on large volume products and are not able to cater to buyers of specific products with lower volumes. Scope of the PUC should be based on products supplied in commercial volumes by the domestic industry during the POI.

## **C.2 Views of the domestic industry**

14. The following submissions have been made by the domestic industry with regard to the scope of the product under consideration and like article:
- a. Scope of the PUC suggested in the application and subsequently notified in the notice of initiation, should be continued, and kept as it is, there is no need for modification, whether enlargement or curtailment.
  - b. Definition of the PUC may explicitly refer to the range of thickness. As agreed by all parties during the discussion, definition may be kept as “aluminium foil upto 80 microns, excluding aluminium foil below 5.5 micron for non-capacitor application”. Further, other products, as described above are also excluded. Only such aluminium foil below 5.5 micron for non-capacitor application are excluded which are subject to measures through final findings no. 6/21/2020- dated 18<sup>th</sup> June 2021.
  - c. As regards exclusion of “polyurethane coated aluminium foil with colour on either one side or both sides” and confirming exclusion of “coated aluminium foil – either one side or both sides, irrespective of colour, shape or coating”; the domestic industry has submitted that the same is already covered under clause (ix). However, the Authority may provide specific clarification/confirmation.
  - d. In respect of exclusion of light gauge foil, the domestic industry has submitted that it is an established producer of light gauge foil. The same has been part of scope of the PUC in previous investigations as well. Inclusion of this product has never been contended by any party previously. Comments of respondent that the domestic industry does not produce this product, a blatantly false statement. This request for exclusion is baseless and devoid of any evidence.
  - e. As regards exclusion request for alu alu laminate, present investigation is a fresh investigation and scope of the PUC is different from previous investigation. In the previous investigation, Indian industry was not producing alu alu laminate. Several producers such as Alutech Packaging P. Ltd., and Green Berry Foils India Ltd., are now producing it.

- f. Similar to alu alu laminate, foils for capacitors were excluded from the scope of the PUC in the previous investigation as the Indian industry was not producing it. In the present investigation, several Indian producers are producing it. Accordingly, it has been included in the scope of the PUC. Further, as capacitor foil was excluded from the investigation on “aluminium foil below 80 microns from Thailand, Malaysia, Indonesia and China PR”. Therefore, capacitor foil below 5.5 micron from China PR is not attracting duty. Thus, thickness range in the PCN defined for capacitor foil has been proposed as 4.5-20 micron.
- g. The domestic industry is in agreement with the submission on cigarette foil, that the PCN range suggested should be amended to “5-.5-7”, as against proposed range of “below 7 microns”.
- h. The domestic industry has agreed to exclusion and specific clarification sought with regard to “clad aluminium fin strips (Alloy 4343/3003-H24), and “polyurethane coated aluminium foil with colour on either side or both sides”.
- i. As “alu alu foil stock” is produced and supplied by Hindalco industries Ltd., therefore they have made the following submissions:
  - Hindalco has competence to produce and sell substantial quality of alu alu stock/foil. Speculation regarding monopolistic situation are unsubstantiated since Anti-Dumping Laws provides the sole producer with the trade remedial measure i.e., imposition of anti-dumping duty. It encourages domestic producers to invest in equipment and technology to meet user’s need, provides level playing field, ensures a fair price, and does not prevent imports from any country.
  - Demand-supply gap cannot be a factor for not imposing anti-dumping duty as it does not prevent the imports but ensures the imports are fairly priced. Even otherwise, figures provided by interested party are not accurate as demand shown is inflated and figures did not match Hindalco’s domestic sales and imports of alu alu stock/foil.
  - It has supplied alu alu stock/foil to various consumers such as interested party (UFLEX), and only a nominal quantity of the said product was rejected due to quality issues out of the total supplies made to UFLEX. Additionally, Hindalco referred to a catena of judgements by CESTAT as per which quality issues cannot be a concern for not imposing anti-dumping duty.

### **C.3 Examination by the Authority**

15. The product under consideration is manufactured from foil stock. Foil stock is produced by rolling ingot. In other words, aluminium flat rolled products (FRP) are rolled further into foils. It may be rolled into foil or consumed as is, or printed/laminated (also called backed) with paper, board, plastic or other packaging materials. Aluminium foils may be printed either by the producers or by converters or by end consumers.
16. Aluminium foil is used for protection and storage of foods and beverages, pharmaceutical packaging etc. It is used as a packaging material, for conservation and preservation of edible and food products. Aluminium foil is a non-toxic material. It is also a good thermal conductor and usually quite malleable. Major applications of aluminium foil are in the following:
  - a. pharmaceuticals industry packing medicines

- b. food industry for packing processed foods
  - c. cigarette industry for wrapping cigarettes
  - d. tobacco packing (Gutkha)
  - e. beer bottles.
17. The Authority considers as follows with regard to issues/exclusion requests raised by the interested parties.
  18. Foil thickness - As regards contentions of other interested parties, that the definition of the PUC must define thickness being covered, the Authority has revisited the definition and clarified the definition as *“Aluminium foil upto 80 microns, excluding aluminium foil below 5.5 micron for non-capacitor application”*.
  19. Light gauge foil - As regards the exclusion sought on light gauge foil is concerned the Authority notes that there have been multiple investigations on imports of aluminium foil. The position of Indian industry as producer of light gauge foil is settled and undisputed. There are no claims corroborated with evidence in the present investigation to support their request for exclusion. Therefore, the Authority does not agree with exclusion sought for this product.
  20. “Alu alu laminate” and “aluminium foils for capacitors” - With respect to submissions alleging that “alu alu laminate” and “aluminium foils for capacitors” should be excluded from the scope of PUC, as they had been excluded previously as well, the Authority notes that the facts of the present investigation are not the same as the previous ADD investigation on aluminium foil from China PR. In the previous investigation conducted by this Authority, these products were excluded from the purview of the investigation, as the Indian industry was not producing these products at that point of time. However, since then, various new producers have started producing the subject goods. Further, the production range by the existing producers has also enhanced. The Indian industry has now commenced production and sales of these products.
  21. *Alu alu foil stock of thickness ranging from 45 – 60 microns* – With regard to exclusion of *“alu alu foil stock of thickness ranging from 45 – 60 microns”*, it is noted that admittedly, Hindalco industries Ltd (Hindalco) is producing the like article within the said thickness range. And it has supplied the subject goods with similar characteristics to the product imported into India. As per evidence submitted on record, Hindalco routinely supplies this product to various other consumers including Uflex. It is noted that foreign producers can continue to bridge the gap if any, so long as it is exported at un-dumped and/or non-injurious prices. It is also noted that this product has been within the scope of the PUC in both the previous investigation on “aluminium foil 5.5 to 80 micron from China PR”, and the ongoing mid-term review investigation on aluminium foil below 80 microns from Thailand.
  22. Cigarette foil - Both, the applicants and other interested parties, are in agreement with the submission on modification of micron range of cigarette foil. The Authority is also in agreement with the suggestion of the parties, and accordingly the PCN range for cigarette foil

has been amended to “5.5-7” vide Notification dated 06.06.2024, as against “below 7 microns”, defined in the initiation notification.

23. Aluminium foil of alloy 8011, 8021 and 8079 - It is noted that aluminium foil from alloy 8021, is in fact “alu alu stock”, and the Authority has already examined and addressed submissions herein above. As regards aluminium foil of alloy 8011 and 8079, it is noted that in aluminium foil, majority of raw material is aluminium itself, alloys form an insignificant portion in the chemistry of aluminium foil. Different producers, and different products use these alloys interchangeably, by tweaking the chemistry to achieve certain characteristics. Therefore, parameters that are to be achieved for any product type, and the alloys being used for it may vary from producer to producer. The respondents made a fine distinction on certain alloys that may be of specific usage to a producer, and not a standard specification/chemistry for a product type. The scope of investigation cannot be varied on such a fine distinction of certain factors, such as alloys especially since the same is being interchangeably used by different producers for any of the product types within the same PUC. Thus, there is no need for exclusion of aluminium foil of alloy 8011, 8021 and 8079.
24. Ultra- light gauge foil - With regard to exclusion sought of ultra- light gauge (ULG) foil, it is seen that the domestic industry produces and sells ULG foil and hence there is no justification for exclusion of ULG Foil.
25. Ultra-light gauge aluminium foil of 6.3 micron - With respect to exclusion of ultra-light gauge aluminium foil of 6.3 micron produced by Hindalco, the Authority notes that the domestic producers are established producers of ULG of various thicknesses, including 6.3 micron. Notwithstanding the same, exclusion request sought due to domestic producers lacking capacity and quality to fully satisfy demand, cannot be accepted. As has already been noted herein above, foreign producers can certainly fill the gap in the country by bringing the product at a fair price. Moreover, as has been admitted by the party in their submissions, capacities in India are being expanded and will be operational in near future.
26. After thorough examination of the various comments on the scope of the PUC and the PCN methodology that were received from the interested parties as well as the domestic industry after the PUC-PCN hearing held on 8<sup>th</sup> May 2024, the Authority clarified the scope of the PUC and the PCN methodology and the notify the same vide notification (hereinafter referred to as the “Scope Notification”) dated 6<sup>th</sup> June 2024, is as follows:

*The product under consideration in the present application is "aluminium foil upto 80 micron, excluding aluminium foil below 5.5 micron for non-capacitor application" (hereinafter also referred to as "subject goods" or "product under consideration" or "PUC"), excluding the following:*

- i. **Aluminium foil below 5.5 microns from China PR for non-capacitor applications-** ‘aluminium foil for capacitors applications' below 5.5 microns is within the scope of the product under consideration. This was specifically

excluded in the anti-dumping duty investigation conducted on "aluminium foil 80 microns and below originating in or exported from China PR, Malaysia, Thailand and Indonesia."

- ii. **Ultra-light gauge converted foil meant for use in insulation, spices packing' thermal fluid lines covering and tea bags application** - Ultra light gauge converted foil is an aluminium foil having thickness of 5.5 micron to 7 micron which is backed with kraft paper and scrim, or glass cloth, whether plain or printed for use in insulation, spices packing, thermal fluid lines covering and tea bags application.
- iii. **Etched or formed aluminium foils meant for electrolytic capacitor** - etched or formed aluminium foils is aluminium foil meant to be used in the manufacture of electrolytic capacitor
- iv. **Aluminium composite panel meant for facade cladding and signage applications** - Aluminium composite panel is a non-aluminium core (often PE) bonded between two thin layers of aluminium, for use in facade cladding and signage.
- v. **Clad with compatible non clad aluminium foil** - Clad with compatible non clad aluminium foil is a corrosion-resistant aluminium sheet formed from aluminium surface layers metallurgically bonded to high-strength aluminium alloy core material for use in engine cooling and air conditioner systems in automotive industry and industrial applications; such as radiator, condenser, evaporator, intercooler, oil cooler and heater.
- vi. **Aluminium foil for beer bottle** - aluminium foil of 10.5 micron with rough surface and perforated whether printed or not; to be used in beer bottle.
- vii. **Aluminium- manganese- silicon based and/ or clad aluminium- manganese silicon-based alloys**, whether clad or unclad- with post brazing yield strength greater than 35 MPA, falling under tariff heading 7607 and 7606, for use in heat exchangers including radiators, charge air coolers, condensers, oil coolers, heater cores, evaporators, heat ventilation and air conditioning (HVAC) systems and parts thereof.
- viii. Adhesive tapes
- ix. **Colour coated aluminium foil**-either one side or both sides, irrespective of colour, shape or coating.
- x. **Polyurethane coated aluminium foil**- either one side or both sides, irrespective of colour, shape, or coating.

SN	Type of Foil	Micron Range	Bare / Converted	PCN Codes
(1)	(2)	(3)	(4)	(5)
1	Alu Alu Stock/Foil	45-60	Bare Foil	ASBF
2	House Foil/Home Foil	8-22	Bare Foil	HFBF
3	Light Gauge (LG)	7- < 20	Bare Foil	LGBF
4	Medium Gauge (MG)	20-60	Bare Foil	MGBF
5	Semi Rigid Container (SRC)	30-80	Bare Foil	SRBF



6	Ultra-Light Gauge Bare	5.5- <7	Bare Foil	UGBF
7	Battery Foil	9-20	Bare Foil	BFBF
8	Capacitor	4.5 – 20	Bare Foil	CFBF
9	*Any other Bare Foil (not falling within S.No.1-8)		Bare Foil	OFBF
10	Cigarette Foil	5.5-7	Converted	CFCF
11	Alu Alu Converted / laminated	45-60	Converted	ASCF
12	House/home Foil Converted	8-22	Converted	HFCF
13	SRC Converted	30-80	Converted	SRCF
14	Medium Gauge (MG) Converted	20-60	Converted	MGCF
15	Light Gauge (LG) Converted	7-<20	Converted	LGCF
16	Battery Foil Converted	9-20	Converted	BFCF
17	Any other converted Foil (Not falling within S.No. 10-16)		Converted	OFCF

27. The product under consideration is classified under subheading 7607 of the customs Tariff Act. Imports of the subject goods are entering into India under the following codes 76071190, 76072090, 76072010, 76071110, 76071999, 76071991, 76071995, 76071910, 76071994, 76071993 and' 76071992. The customs classification is indicative and is not binding on the scope of the product under consideration.
28. The Authority notes that the like article produced by the domestic industry and the product under consideration imported from the subject country is comparable in terms of physical and chemical characteristics, functions and uses, product specifications, pricing, distribution and marketing, and tariff classification of the goods. The goods produced by the domestic industry and imported from the subject country are like articles in terms of the Rules. The two are technically and commercially substitutable. The Authority provisionally holds that the subject goods produced by the domestic industry are like article to the product under consideration imported from the subject country within the scope and meaning of Rule 2(d) of the Anti-dumping Rules.

## **D. SCOPE OF THE DOMESTIC INDUSTRY & STANDING**

### **D.1 Views of the other interested parties**

29. The following submissions have been made by the other interested parties with regard to the domestic industry and its standing:
- The six producers who constitute the domestic industry have been self-selected with no justification.
  - No representative and conclusive assessment of injury is possible with the current domestic industry.

## **D.2 Views of the domestic industry**

30. The applicants have made the following submissions with regard to the domestic industry and its standing:
- i) The application has been filed by M/s Hindalco Industries Ltd., M/s Shyam Sel & Power Ltd, M/s Shree Venkateshwara Electrocast Pvt. Ltd., M/s Ravi Raj Foils Ltd., M/s GLS Foils Product Pvt. Ltd., and M/s LSKB Aluminium Foils Pvt. Ltd.
  - ii) Other domestic producers namely, ESS DEE Aluminium Ltd., Sparsh Industries Pvt. Ltd, SRF Altech Ltd. and Trefoil Packaging Pvt Ltd. have communicated their support to the application filed.
  - iii) GLS first declared that it imported the product under consideration in the POI. However, it is clarified that such declaration was an error. The imports by GLS were of aluminium flat rolled product (“FRP”), which is the raw material used in making the PUC.
  - iv) The applicant companies have not imported the subject goods from the subject country.
  - v) The applicants production constitutes a ‘major proportion’ of the total Indian production and satisfies the requirements of Rule 2(b) and Rule 5(3) of the AD Rules.

## **D. 3 Examination by the Authority**

31. Rule 2(b) of the AD Rules defines the domestic industry as under:

*"(b) "domestic industry " means the domestic producers as a whole engaged in the manufacture of the like article and any activity connected therewith or those whose collective output of the said article constitutes a major proportion of the total domestic production of that article except when such producers are related to the exporters or importers of the alleged dumped article or are themselves importers thereof in such case the term 'domestic industry ' must be construed as referring to the rest of the producers"*

32. The present application has been filed by M/s Hindalco Industries Ltd., M/s Shyam Sel & Power Ltd, M/s Shree Venkateshwara Electrocast Pvt. Ltd., M/s Ravi Raj Foils Ltd., M/s GLS Foils Product Pvt. Ltd., and M/s LSKB Aluminium Foils Pvt. Ltd.
33. M/s GLS Foils Product Pvt. Ltd. initially declared self-imports of the subject goods from subject country and later clarified that the declaration was incorrect. It imported aluminium flat rolled product (“FRP”), which is the raw material of the subject goods. Its related parties, namely, GLS Elopak Private Limited and GLS Films Industries Private Limited have imported the subject goods. Details of such imports has been provided and have been independently examined from the DG Systems data. It is noted that the imports made by the related parties is miniscule and insignificant in absolute and relative terms. Thus, the Authority notes that since the imports are negligible, it does not affect the eligibility of the applicant company to be treated as “domestic industry” in terms of ADD Rules.

34. The remaining applicant companies have not imported the subject goods and are neither related to an importer or exporter thereof.
35. The application filed by the above mentioned six companies has been supported by the following companies:
- i. ESS DEE Aluminium Ltd.
  - ii. Sparsh Industries Pvt. Ltd
  - iii. SRF Altech Ltd.
  - iv. Trefoil Packaging Pvt Ltd.
36. The Authority sent communication to other domestic producers informing them about the initiation of such investigation. However, no response has been received from these other producers. Further, no evidence has been brought on record by the other interested parties to show that other domestic producers are not suffering injury.
37. In view of the information on record and issues examined as above, the Authority provisionally determines that the applicant companies constitute “domestic industry” within the meaning of the Rule 2(b) of Anti-Dumping Rules. It is further noted that the production by the applicants account for a major proportion in total Indian production. The application thus, satisfies the criteria of standing in terms of Rule 5(3) of the ADD Rules.

## **E. CONFIDENTIALITY**

### **E.1 Views of the other interested parties**

38. None of the other interested parties have made any submissions with regard to confidentiality.

### **E.2 Views of the domestic industry**

39. The following submissions have been made by the domestic industry with regard to confidentiality:
- i) Many respondents have not disclosed affiliated companies, names of shareholders, details of the company such as telephone and fax numbers.
  - ii) Sample domestic and export sales documents have been undisclosed. While documents itself may be confidential, the list of documents submitted has not been disclosed.

### **E.3 Examination by the Authority**

40. The Authority made available the non-confidential version of the information provided by the various parties to all the other interested parties as per Rule 6(7).
41. With regard to confidentiality of the information, Rule 7 of the Rules provides as follows:

*“7. Confidential Information:*

*(1) Notwithstanding anything contained in sub-rules (2), (3) and (7) of rule 6, sub-rule (2) of rule 12, sub-rule (4) of rule 15 and sub-rule (4) of rule 17, the copies of applications received under sub -rule (1) of rule 5, or any other information provided to the designated authority on a confidential basis by any party in the course of investigation, shall, upon the designated authority being satisfied as to its confidentiality, be treated as such by it and no such information shall be disclosed to any other party without specific authorization of the party providing such information.*

*(2) The designated authority may require the interested parties providing information on confidential basis to furnish nonconfidential summary thereof and if, in the opinion of a party providing such information, such information is not susceptible of summary, such party may submit to the designated authority a statement of reasons why summarisation is not possible.*

*(3) Notwithstanding anything contained in sub-rule (2), if the designated 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 a generalized or summary form, it may disregard such information.”*

42. The information provided by the interested parties on confidential basis was examined with regards to sufficiency of such claims. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted and such information has been considered confidential and not disclosed to the other interested parties. Wherever possible, the parties providing information on confidential basis were directed to provide sufficient nonconfidential version of the information filed on confidential basis. The Authority also notes that all interested parties have claimed their business-related sensitive information as confidential.

## **F. MISCELLANEOUS ISSUES**

43. A large number of producers and exporters of the subject goods from China PR submitted questionnaire responses. In view of large number of producers & exporters, the Authority decided to resort to sampling in the present investigation in accordance with the provisions of Rule 17(3). Based on the questionnaire responses filed before the Authority, the following three companies were chosen for individual dumping margin determined. The Authority vide email dated 13<sup>th</sup> August 2024, notified the interested parties of the selection of following three companies and their associated exporters and affiliated producers/exporters as for determination of individual dumping margin. The Authority also informed the interested parties that these producers alongwith their associated exporters were proposed to be considered for determination of individual dumping margin. The selection was done on the basis of the largest percentage of the volume of exports to India from China PR during the investigation period, and considering number of producers that can be investigated for individual determination of dumping margin. The Authority also, invited comments from the interested parties with regard to selection of sampled producers, and comments received were taken into account for the purpose of determining sampled producers/exporters from subject country.

### **F.1 Views of the other interested parties**

44. The submissions made by the interested parties are briefly as under

- i) Jiangsu Fengyuan Aluminium Master Technology Co. Ltd. requested that the company should be included in the list of sampled producers, as it has exported a maximum quantity representing a 4% share of the total subject imports and is the only exporter that has supplied ultra-light gauge bare aluminium foil in the POI.
- ii) Jiangsu Zhongji Lamination Materials Co. Ltd. and Xiamen Xiashun Aluminium Foil Co. Ltd. requested that these companies along with their related companies and associated exporters be included in the list of sampled producers.
- iii) Henan Mingsheng New Material Technology Co. Ltd. requested its inclusion on the ground that its related entity has filed a questionnaire response.
- iv) Rule 17(3) allows selection of 'reasonable number' of interested parties as sampled producers and limiting the present investigation to only 3 sampled producers is unnecessary.
- v) In the past, the Authority has chosen 10 producers to be sampled in cases such as Jute products viz.- *Jute Yarn/Twine (multiple folded/cable and single)*, *Hessian fabric*, and *Jute sacking bags* from Bangladesh and Nepal, as well as *Solar Cells whether or not assembled in modules* from China PR, Taiwan, and Malaysia.
- vi) Zhongji Group and Xiashun Group contended that subject goods supplied by them are different from the ordinary aluminium foil supplied by other producers from the subject country, as these companies have supplied specialised aseptic foil.
- vii) The Authority should consider not just export volume but also the nature of the product or product type exported to India.
- viii) Only few global suppliers such as Zhongji Group and Xiashun Group can deliver aluminium foil with the required specifications. Consumers require ultra-light gauge aluminium foil of 6.3 microns and 9 microns with width of upto 1650 mm as well as comply with further technical requirements.
- ix) The domestic industry in India has limitations and is unable to fulfil the requirements of the consumers. The Respondents will be at a disadvantage if not granted an individual dumping margin.
- x) Second proviso to Rule 17(3) of the AD Rules provides for the possibility of determining individual dumping margins for producers who are not sampled if such examination is not burdensome and if such producer has submitted the necessary information.
- xi) No request for sampling was made by the applicants at the time of application, neither did the initiation notification contain any request for filing of quantity and value information by the exporters for sampling purposes.
- xii) The decision to carry out sampling is not based on any request filed by the domestic industry and is unreasonable and belated.
- xiii) Substantial volume of the PUC exported by Kunshan Aluminium Co. Ltd. and hence if not included in the sampled group, will be unrepresentative of total imports.
- xiv) The Authority is requested to verify and document the range of PCNs exported by each sampled entity, to ensure that the product categories within the PUC is not inadvertently excluded or underrepresented.

- xv) CIF prices of Kunshan Aluminium Co. Ltd. is more than the average CIF value of imports reported by the domestic industry and hence substantiates that sampling will be detrimental to the interests of the non-sampled producers/ exporters.
- xvi) Due to low priced exports of sampled producers/exporters, there will be higher dumping margins, leading to higher duties. Importers and users will have to bear the burden of existing duties on imports of FRP as well as the subject goods.
- xvii) Authority in the recently concluded case on Resin Bonded Thin Wheels from China PR didn't carry out sampling even with 28 responding producers/exporters and there is no undue burden on the Authority.
- xviii) Dingsheng Group should form part of sampled group as the volume of exports is high, and that of Jiangsu Dingsheng New Materials Joint Stock Co. Ltd. alone is higher than some of the sampled producers.
- xix) The Authority in the past in the case of solar cells and glazed/unglazed porcelain/ vitrified tiles has considered related producers along with associated exporters/ traders as a single entity for the purpose of sampling.
- xx) Duties have been in force for an elongated period of time through various investigations.
- xxi) Since the Ministry of Finance did not impose duties in the last sunset review investigation on aluminium foil, no fresh recommendation is to be issued for another five years. If such recommendation is issued, this will indicate disregard for the decision of the Ministry of Finance and will lead to uncertainty and unpredictability in international trade.
- xxii) Trade remedy measures are meant to be temporary and if measures are imposed in the present investigation, measures would effectively be permanent.

## **F.2. Views of the domestic industry**

45. The following submissions have been made by the domestic industry:

- i. 14 companies have filed questionnaire responses as per the interested party list, which is a high number to permit individual determination.
- ii. Given low volumes of exports by certain parties, it is obvious that their product profile and exports pattern is not representative of exports into India, in terms of both product profile and time period.
- iii. In the past, Chinese producers who have had negligible export volumes in the POI, after getting individual lower duty, increased the supply to the Indian market.
- iv. Global norm in sampling is to consider at most three companies:
  - a. In ceramic tiles from India, Europe originally considered two companies and refused to extend sampling size to three companies even following aggressive representations from the company at number 3.
  - b. In wood pulp from Canada, the MOFCOM refused to individually determine dumping margin for the company at number 3 even though the companies in the first three places were exporting almost equal volume.
  - c. In ceramic tiles and sanitarywares, the GCC sampled three companies while keeping a reserve of 2 companies, as is the standard of practice in the GCC.

- d. The USA considers more than two companies as ‘unduly burdensome’. In the matter of quartz surface from India, out of 50 companies considered, investigation and determination of dumping margin was carried out only for two companies, the results of which were extended to the others.
- v. Filing of questionnaire response on voluntary basis cannot be grounds to determine individual dumping margin.
- vi. Exports of niche grade or special products cannot be grounds for inclusion in the sampled group as such supply would indicate that the response and the data of the company would not be representative of the responding companies and imports from China PR.

### **F.3 Examination by the Authority**

- 46. The Authority considers that there are a large number of producers from China PR who have filed questionnaire responses.
- 47. Following producers/exporters have filed questionnaire response in this investigation:
  - i. Dingsheng Aluminium Industries (Hong Kong) Trading Co. Ltd.
  - ii. Jiangsu Dingsheng New Materials Joint Stock Co. Ltd.
  - iii. Hangzhou Five Star Aluminium Co. Ltd.
  - iv. Hangzhou Dingsheng Import and Export Co. Ltd.
  - v. Inner Mongolia Lian Shen New Energy Co. Ltd.
  - vi. Jiangsu Zhongji Lamination Materials Co. Ltd.
  - vii. Jiangsu Zhongji Lamination Materials Co. (HK) Ltd.
  - viii. Luoyang Longding Aluminium Industrial Co. Ltd.
  - ix. Longding Global (Singapore) PTE Ltd.
  - x. Sunho New Materials Technology Co. Ltd.
  - xi. Shanghai Sunho Aluminium Foil Co. Ltd.
  - xii. Shangdong Deli Aluminium Technology Co. Ltd.
  - xiii. ATEC New Material Industry Co. Limited
  - xiv. Tetra Pak Beijing Company Limited
  - xv. Tetra Pak Global Supply SA
  - xvi. Tetra Pak Jurong Pte Ltd.
  - xvii. Xiamen Xiashun Aluminium Foil Co. Ltd.
  - xviii. Daching Enterprises Ltd.
  - xix. Peixian Fengyuan Import and Export Trade Co. Ltd.
  - xx. Jiangsu Fengyuan Aluminium Master Technology Co. Ltd.
  - xxi. Henan Mingsheng New Material Technology Co. Ltd.
  - xxii. Henan Mingtai Technology Development Co. Ltd.
  - xxiii. Luoyang Wanji Aluminium Processing Co. Ltd.
  - xxiv. Kunshan Aluminium Co. Ltd

48. Since the number of producers who have filed response is high, the case has been analysed whether the Authority should resort to sampling of foreign producers in order to determine individual dumping margin.
49. It is noted that while the Authority shall determine individual dumping margin in respect of all those producers/exporters who have filed questionnaire responses, in a situation where a large number of producers/ exporters have filed questionnaire responses, the Authority may resort to sampling by limiting the response to a limited number of producers. The Rules provides as follows in this regard.

*17(2)(iv) The designated authority shall determine an individual margin of dumping for each known exporter or producer concerned of the article under investigation:*

***Provided** that in cases where the number of exporters, producers, importers or types of articles involved are so large as to make such determination impracticable, it may limit its findings either to a reasonable number of interested parties or articles by using statistically valid samples based on information available at the time of selection, or to the largest percentage of the volume of the exports from the country in question which can reasonably be investigated, and any selection, of exporters, producers, or types of articles, made under this proviso shall preferably be made in consultation with and with the consent of the exporters, producers or importers concerned :*

***Provided** further that the designated authority shall, determine an individual margin of dumping for any exporter or producer, though not selected initially, who submit necessary information in time, except where the number of exporters or producers are so large that individual examination would be unduly burdensome and prevent the timely completion of the investigation.*

50. The Authority considered the volume of exports by the responding producers/exporters. The Authority also considered exports made by affiliated producers/exporters. It is seen that after considering exports made by these producers either directly or through related or unrelated traders and exports made by the Chinese producers who are related to these producers that the companies who were notified as sampled companies command the highest volume of exports to India.
51. As regards the contention that the Authority has undertaken individual determination of dumping margin for much larger number of producers or exporters in the past in other investigation, the Authority notes that the fact that a large number of producers were investigated in the past does not imply that the Authority is barred from resorting to sampling in the present case.



52. As regards the request for inclusion of exporters who supplied the goods produced by sampled producers, it is clarified that the Authority has included all those companies who are exporters of the good produced by the sampled companies.
53. As regards the request for inclusion of producers who are affiliated to the sampled producer, it is clarified that the Authority has included all those companies who are affiliated producers of the sampled company.
54. As regards the request for inclusion on the grounds that the company has supplied speciality products or the product profile forming part of the sample should be comprehensive, the Authority notes that there is no such obligation under Rule 17(3).
55. The Authority notes that the fact of supply of a speciality grade does not justify inclusion of such company for individual determination. Further, the Authority has specified a PCN. So long as a product type falls within a PCN and the domestic industry has supplied the same, it is not established that the imported product was speciality product.
56. It is noted that the sampling rules in particular allows the Authority to limit individual determination to a number of product types. This implies that it is not necessary that the Authority considers a sample in such a manner that all the products supplied to India get included within the sample. In fact, any such contention implies that the Authority cannot resort to sampling by considering limited number of product types. However, Rule 17 in particular allows the Authority to limit individual determination to limited number of product types.
57. In view of the above, it is considered that number of producers/ exporters from China PR is unduly large to permit individual determination of dumping margin. Further, it is considered that the number of producers for individual determination should be restricted to only three producers, and all their associated exporters. Accordingly, the Authority confirms that individual determination of dumping margin and injury margin has been limited to following companies and their associated/affiliated producers/exporters.
- a. Sunho New Materials Technology Co. Ltd.
  - b. Henan Mingtai Technology Development Co. Ltd
  - c. Dingsheng Group
58. The Authority notes that the submission of Dingsheng Group stating that the volume of exports is higher than some of the sample producers. The export volume has been re-examined; it was found that there was export of the subject goods produced by other related producers of Dinsheng Group which were not accounted in the earlier determination for sampling purpose.

59. Accordingly, the Authority has accorded individual dumping margins to all the sampled producers. For the non-sampled producers, weighted average dumping margin of the sampled producers has been accorded. The non-sampled producers are as under:

- i. Jiangsu Zhongji Lamination Materials Co. Ltd.
- ii. Luoyang Longding Aluminium Industrial Co. Ltd.
- iii. Shangdong Deli Aluminium Technology Co. Ltd.
- iv. Xiamen Xiashun Aluminium Foil Co. Ltd.
- v. Jiangsu Fengyuan Aluminium Master Technology Co. Ltd.
- vi. Luoyang Wanji Aluminium Processing Co. Ltd.
- vii. Kunshan Aluminium Co. Ltd.

60. Some of the exporters has contended that they should have also been selected in the sample, the Authority notes that 'sampling' provision, authorizes the Authority to 'limit their examination' in one of two ways: (i) 'to a reasonable number of interested parties or products by using samples which are statistically valid on the basis of information available at the time of the selection', or (ii) 'to the largest percentage of the volume of the exports from the country in question which can reasonably be investigated. The Authority as per information available on record has selected the three (3) producers along with their associated exporters for determination of individual dumping margin, on the basis of the largest percentage of the volume of the exports to India from China PR during the investigation period. Further there is no requirement under the Rules that any particular threshold percentage will demonstrate that the volume of exports accounted for by the selected producers is 'representative' of anything. Thus, the Authority provisionally selected the three producers along with their associated exporters for determination of individual dumping margin.

61. As regards the argument that antidumping duties should not be imposed when the Ministry of Finance had not extended the duties in the sunset review investigation, the Authority notes that there is no legal basis for such a claim. It is noted that the present investigation is a fresh antidumping investigation, covering different period as considered in the sunset review investigation. The AD Rules does not provide for a cooling off period in which an aggrieved party is not allowed to apply for trade remedial measures. There is no legal basis for the argument of the interested parties that by undertaking the present investigation, the Authority will be disregarding the decision of the Ministry of Finance. The Authority has initiated the subject investigation after *prima facie* satisfaction that cessation of measures on China PR has led to increase in imports and are causing material injury to the domestic industry having regard to the Customs Tariff Act and Antidumping Rules.

**G. ASSESSMENT OF DUMPING AND DETERMINATION OF NORMAL VALUE, EXPORT PRICE AND DUMPING MARGIN**

## **G.1 Views of the other interested parties**

62. Following submissions have been made by other interested parties with regard to the normal value, export price and dumping margin:
- i) Averaging out the individual dumping margin of each PCN will lead to false results as the price of certain kinds of technical foil is on the higher side due to its quality and performance. In case of heavy difference, item wise dumping margin should be considered.

## **G.2 Views of the domestic industry**

63. The following submissions have been made by the domestic industry with regard to normal value, export price and dumping margin:
- i) China PR should be considered a non-market economy, in line with the position taken by the Authority in previous cases, and by the investigating authorities in other countries. Chinese producers' cost and price cannot be relied upon for determination of normal value.
  - ii) The Authority shall follow Para 1 – 6 of Annexure I for the determination of normal value only if the responding Chinese companies establish that their costs and price information is such that individual normal value and dumping margin can be determined. If the responding Chinese companies are not able to demonstrate that their costs and price information can be adopted, the Designated Authority shall reject the claim of individual dumping margin.
  - iii) Paragraph 1 to 6 of Annexure I of the Rules does not apply for computation of normal value for imports from China PR, unless a producer/exporter shows with sufficient evidence that he is operating under market economy conditions. As a result, normal value for China PR has to be determined in terms of Para 7 of Annexure I of the Rules.
  - iv) Chinese producers are required to be treated as companies operating under non-market economy environment and the Authority may proceed to determine the normal value on the basis of Para 7 of Annexure-I.
  - v) Lastly, the applicants also calculated normal value based on estimate of cost of production i.e. considering the costs of the domestic industry in India, duly adjusted to include selling, general and administrative costs of the domestic industry by adding reasonable profits, after addition for selling, general and administrative expenses and reasonable profits.
  - vi) Export price has been determined considering the volume and value of imports for the proposed period of investigation as per data procured from market intelligence sources in view of non-availability of DGCI&S data. Price adjustments have been claimed on a conservative basis for the purpose of fair comparison.
  - vii) Considering the normal value calculations suggested, the dumping margins have been calculated. The dumping margins so calculated are not just above the de-minimis level but also quite significant.

### **G.3 Examination by the Authority**

64. Under Section 9A(1)(c) of the Act, normal value in relation to an article means:
- i. *the comparable price, in the ordinary course of trade, for the like article when meant for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6); or*
  - ii. *when there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either-*
    - (a) *comparable representative price of the like article when exported from the exporting country or territory or an appropriate third country as determined in accordance with the rules made under sub-section (6); or*
    - (b) *the cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and general costs, and for profits, as determined in accordance with the rules made under sub-section (6):*
- Provided that in the case of import of the article from a country other than the country of origin and where the article has been merely transhipped through the country of export or such article is not produced in the country of export or there is no comparable price in the country of export, the normal value shall be determined with reference to its price in the country of origin.*
65. The Authority sent questionnaires to the known producers/exporters from the subject country, as well as to the appropriate diplomatic representative advising them to provide information in the form and manner prescribed by the Authority within the prescribed time limit.
66. The normal value and export price for all producers/ exporters from the subject country have been determined as below.

#### **G.3.1 Normal value**

67. Article 15 of China's Accession Protocol in WTO provides as follows:

*"Article VI of the GATT 1994, the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 ("Anti-Dumping Agreement") and the SCM Agreement shall apply in proceedings involving imports of Chinese origin into a WTO Member consistent with the following:*

*"(a) In determining price comparability under Article VI of the GATT 1994 and the Anti-Dumping Agreement, the importing WTO Member shall use either Chinese prices or costs for the industry under investigation or a methodology, that is not based on a strict comparison with domestic prices or costs in China based on the following rules:*

- (i) *If the producers under investigation can clearly show that market economy conditions prevail in the industry producing the like product with regard to the manufacture, production and sale of that product, the importing WTO Member shall use Chinese prices or costs for the industry under investigation in determining price comparability;*
- (ii) *The importing WTO Member may use a methodology that is not based on a strict comparison with domestic prices or costs in China if the producers under investigation cannot clearly show that market economy conditions prevail in the industry producing the like product with regard to manufacture, production and sale of that product.*
- (iii) *In proceedings under Parts II, III and V of the SCM Agreement, when addressing subsidies described in Articles 14(a), 14(b), 14(c) and 14(d), relevant provisions of the SCM Agreement shall apply; however, if there are special difficulties in that application, the importing WTO Member may then use methodologies for identifying and measuring the subsidy benefit which take into account the possibility that prevailing terms and conditions in China may not always be available as appropriate benchmarks. In applying such methodologies, where practicable, the importing WTO Member should adjust such prevailing terms and conditions before considering the use of terms and conditions prevailing outside China.*
- (iv) *The importing WTO Member shall notify methodologies used in accordance with subparagraph (a) to the Committee on Anti-Dumping Practices and shall notify methodologies used in accordance with subparagraph (b) to the Committee on Subsidies and Countervailing Measures.*
- (v) *Once China has established, under the national law of the importing WTO Member, that it is a market economy, the provisions of subparagraph (a) shall be terminated provided that the importing Member's national law contains market economy criteria as of the date of accession. In any event; the provisions of subparagraph (a)(ii) shall expire 15 years after the date of accession. In addition, should China establish, pursuant to the national law of the importing WTO Member, that market economy conditions prevail in a particular industry or sector, the nonmarket economy provisions of subparagraph (a) shall no longer apply to that industry or sector. "*

68. The applicants have relied upon Article 15(a)(i) of China's the Accession Protocol as well as para 7 of the Annexure I. The applicants have claimed that producers in China PR must be asked to demonstrate that market economy conditions prevail in their industry producing the like product with regard to the manufacture, production and sale of the product under consideration. It has been stated by the applicants that in case the responding Chinese producers are not able to demonstrate that their costs and price information are market-driven, the normal value should be calculated in terms of provisions of Para 7 and 8 of Annexure- I to the Rules.
69. It is noted that while the provision contained in Section 15 (a)(ii) has expired on 11.12.2016, the provision under Article 2.2.1.1 of WTO Anti-dumping Agreement read with the obligation under Section 15(a)(i) of the Accession Protocol require criterion stipulated in

paragraph 8 of Annexure I of the Rules to be satisfied through the information/data to be provided in the supplementary questionnaire on claiming market economy treatment.

70. At the stage of initiation, the Authority proceeded as per the information made available by some of the domestic producers on the cost of production of the subject goods with due addition of SGA and profits. Upon initiation, the Authority advised the producers/ exporters in China PR to respond to the notice of the initiation and provide information relevant to the determination of their market economy status. The Authority sent copies of the supplementary questionnaire to all the known producers/ exporters for rebutting the presumption of a non-market economy in accordance with criteria laid down in Para 8(3) of Annexure-I to the Rules and furnish relevant detailed information. The Authority also requested the Government of China PR to advise the producers exporters in China PR to provide the relevant information.
71. None of the exporters/producers contested the non-market economy status of China. Thus, in view of the above position and in the absence of rebuttal of the non-market economy presumption by any Chinese exporting company, the Authority considers it appropriate to treat China PR as a non-market economy country in the present investigation and proceeds with para 7 of Annexure-I to the Rules for determination of normal value in case of China PR
72. Para 7 of Annexure I of the Rules reads as under:

*In case of imports from non-market economy countries, normal value shall be determined on the basis of the price or constructed value in the market economy third country, or the price from such a third country to other countries, including India or where it is not possible, or on any other reasonable basis, including the price actually paid or payable in India for the like product, duly adjusted, if necessary, to include a reasonable profit margin. An appropriate market economy third country shall be selected by the designated authority in a reasonable manner, keeping in view the level of development of the country concerned and the product in question, and due account shall be taken of any reliable information made available at the time of selection. Accounts shall be taken within time limits, where appropriate, of the investigation made in any similar matter in respect of any other market economy third country. The parties to the investigation shall be informed without any unreasonable delay the aforesaid selection of the market economy third country and shall be given a reasonable period of time to offer their comments.*

73. Para 7 lays down a hierarchy for the determination of normal value and provides that the normal value shall be determined on the basis of the price or constructed value in a market economy third country or the price from such a third country to other countries, including India or where it is not possible, on any other reasonable basis, including the price actually paid or payable in India for the like product, duly adjusted, if necessary, to include a reasonable profit margin. Thus, the Authority notes that the normal value is required to be determined having regard to the various sequential alternatives provided under para 7. There is no evidence of price or constructed value prevailing in a market economy third country

brought forward by any interested party. Apart from the subject country in the present investigation, imports into India from other countries not attracting antidumping duties are low in volume. Thus, imports into India from the market economy third country could not be considered for determination of normal value.

74. Therefore, the Authority has determined the normal value for the subject imports in China PR as “price actually payable in India” as stipulated in para 7 of Annexure – I to the AD Rules, 1995. It has been computed based on the cost of production of the domestic industry, with reasonable addition for selling, general and administrative expenses, and profits. The normal value so determined is given below in the dumping margin table.

### **G.3.2 Export Price**

#### **A) Dingsheng Group (Sampled)**

**M/s Jiangsu Dingsheng New Materials Joint-Stock Co. Ltd., (“Jiangsu Dingsheng”),**  
**M/s Hangzhou Five Star Aluminium Co. Ltd., (“Hangzhou Five Star”)**  
**M/s. Inner Mongolia Lian Sheng New Energy Material Co. Ltd. (“Inner Mongolia”)**  
**M/s Dingsheng Aluminium Industries (Hong Kong) Trading Co. Ltd. (“Dingsheng HK”)**  
**M/s Hangzhou Dingsheng Import and Export Co. Ltd. (“Dingsheng I&E”)**

75. M/s Jiangsu Dingsheng New Materials Joint-Stock Co Ltd (“Jiangsu Dingsheng”), Inner Mongolia Lian Sheng New Energy Material Co., Ltd (“Inner Mongolia”) and M/s Hangzhou Five Star Aluminium Co Ltd (“Hangzhou Five Star”) are related companies engaged in manufacturing of the subject goods in China PR. Jiangsu Dingsheng, Inner Mongolia and Hangzhou Five Star have exported the subject goods through related trading companies, M/s Hangzhou Dingsheng Import & Export Co., Ltd (“Dingsheng I&E”) and M/s Dingsheng Aluminium Industries (Hongkong) Trading Co., Limited (“Dingsheng HK”). Jiangsu Dingsheng has also exported some quantity of subject goods directly to India. All the five companies, namely, Jiangsu Dingsheng, Inner Mongolia, Hangzhou Five Star, Dingsheng I&E and Dingsheng HK have provided the relevant information in the prescribed exporters questionnaire format along with relevant PCN wise information.
76. The Authority notes that Jiangsu Dingsheng New Materials Joint-Stock Co Ltd (“Jiangsu Dingsheng”) is a producer and exporter of the subject goods from China PR. It has exported \*\*\* MT directly to India and \*\*\* MT indirectly through Dingsheng I&E and \*\*\* MT indirectly through Dingsheng HK during the POI.
77. Similarly, the Authority notes that Hangzhou Five Star Aluminium Co Ltd (“Hangzhou Five Star”) is a producer of the subject goods from China PR. It has exported \*\*\* MT of the subject goods indirectly through Dingsheng I&E and \*\*\* MT through Dingsheng HK during the POI.

Further, Inner Mongolia have produced and exported \*\*\* MT through Dingsheng HK during the POI. All these exports were made to unrelated customers in India.

78. The producers/exporters have claimed adjustments i.e. ocean freight, insurance, inland transportation, port and other related expenses, bank charges and credit cost and the same have been provisionally allowed by the Authority for the purpose of preliminary findings. However, the submissions made by the producers/exporters would further be examined during the course of the investigation for the purpose of final findings. The ex-factory export price as determined is given in the dumping margin table.

**B) Sunho Group (Sampled)**

**M/s. Sunho New Materials Technology Co. Ltd.** (“Sunho New Materials”)

**M/s Shanghai Sunho Aluminum Foil Co. Ltd.** (“Shanghai Sunho”)

79. Sunho New Materials and Shanghai Sunho are related producers of subject goods in China PR. Sunho New Materials has exported the subject goods to unrelated customers in India through its related producer/exporter, Shanghai Sunho. Shanghai Sunho has exported the subject goods directly to unrelated customers in India, including those manufactured by itself and Sunho New Materials.
80. It is noted that during the POI, M/s Sunho New Materials Technology Co., Ltd. has produced and exported \*\*\* MT of subject goods to unrelated customers in India through its related producer/exporter, Shanghai Sunho.
81. Shanghai Sunho has produced and exported \*\*\* MT of subject goods to unrelated customers in India directly. Shanghai Sunho and Sunho New Materials have provided relevant PCN wise information in the prescribed exporter questionnaire format.
82. It is also noted that Shanghai Sunho has exported minor quantities of subject goods to unrelated customers in India, which were manufactured by other unrelated Chinese producers/exporters. These other unrelated Chinese producers/exporters have not filed exporter questionnaire response. Therefore, the Authority has considered only those export transactions to India which were manufactured by Shanghai Sunho and Sunho New Materials for determining ex-factory export price and landed value.
83. The responding producers/exporters have claimed adjustments on account of ocean freight, insurance, inland transportation, port and other related expenses, credit cost and bank charges which have been allowed by the Authority for the purpose of preliminary findings subject to detailed verification. The ex-factory export price as determined is given in the dumping margin table below.



84. The submissions made by the producer/exporter would further be examined during the course of the investigation for the purpose of final findings. Accordingly, the net export price at ex-factory level has been determined after allowing for the following adjustments- ocean freight, insurance, inland transportation, port and other related expenses, credit cost, and bank charges. The net export price so determined is mentioned in the dumping margin table below.

**C) Mingtai Group (Sampled)**

**M/s. Henan Mingtai Technology Development Co. Ltd.**

**M/s. Henan Mingsheng New Material Technology Co. Ltd.**

85. M/s. Henan Mingsheng New Material Technology Co. Ltd. (“Henan Mingsheng”) and M/s Henan Mingtai Technology Development Co. Ltd. (“Mingtai Technology”) are producers and exporters in the subject country and have exported the subject goods to India. Both producers/exporters have provided the relevant information in the prescribed exporters questionnaire format.
86. As per the response filed by Henan Mingsheng, it is noted that it has produced and exported \*\*\* MT indirectly through M/s Henan Mingtai Technology Development Co. Ltd. to India during the POI.
87. Similarly, it is noted that M/s Henan Mingtai Technology Development Co. Ltd. (“Mingtai Technology”) has produced and exported \*\*\* MT of subject goods directly to India during the POI.
88. The Authority has seen that the volume reported by the exporter and the volume reported in the DG Systems data is comparable. The submissions made by the producer/exporter would further be examined during the course of the investigation for the purpose of final findings. Accordingly, the net export price at ex-factory level has been determined after allowing for the following adjustments- ocean freight, insurance, inland transportation, port and other related expenses, credit cost, and bank charges. The net export price so determined is mentioned in the dumping margin table below.

**a. Non-cooperating producers/exporters**

89. The Authority has determined the export price for non-cooperating producers/ exporters from China PR after considering the volume and value of imports based on data of the sampled producers. Adjustments have been made for ocean freight, inland transportation, insurance, handling charges, commission, and bank charges. The export price so determined is stated in the below – mentioned dumping margin table.

**G.3.3 Determination of Dumping margin**

90. The Authority has compared the PCN wise ex-factory export price to India with the corresponding PCN wise normal value to determine the PCN wise dumping margin. The table below shows the weighted average ex-factory export price, weighted average normal value and weighted average dumping margin of the producers after taking into account the PCN exported to India during the POI.

**Non-sampled cooperative category of producers/exporters**

91. The Authority has considered the weighted average dumping margin evaluated on the basis of individual dumping margins for the producers/exporters of the sampled category. This weighted average dumping margin has been accorded to the non-sampled category of producers/exporters of subject goods and has been mentioned in the table mentioned below.

**Dumping margin for related producers and Exporters**

92. It is noted that in the subject investigation many cooperating producers and exporters are related to each other and form a group of related companies. It has been a consistent practice of the Authority to consider related exporting producers and exporters as one single entity for the determination of a dumping margin and thus to establish one single dumping margin for them. This is in particular because calculating individual dumping margins might encourage circumvention of antidumping measures, thus rendering them ineffective, by enabling related exporting producers to channel their exports to India through the company with the lowest individual dumping margin.
93. In accordance with the above, related producers and exporters have been regarded as one single entity and attributed one single dumping margin which was calculated on the basis of the weighted average of the dumping margins of the cooperating related producers and exporters.
94. Considering the normal value and export price determined, as explained above, it is provisionally determined that the dumping margin is more than the *de-minimis* limit prescribed under the Rules.

**Dumping Margin Table**

Company	Normal value	Export price	Dumping margin	Dumping margin	
	USD/MT	USD/MT	USD/MT	%	Range
Henan Mingtai Technology Development Co., Ltd	***	***	***	***	20-30
Henan Mingsheng New Material Technology Co. Ltd.					

Sunho New Materials Technology Co. Ltd.	***	***	***	***	10-20
Shanghai Sunho Aluminum Foil Co. Ltd.					
Jiangsu Dingsheng New Materials Joint-Stock Co. Ltd.	***	***	***	***	10-20
Inner Mongolia Lian Shen New Energy Co. Ltd.					
Hangzhou Five Star Aluminium Co. Ltd.					
Non sampled cooperative producers	***	***	***	***	10-20
Non-Cooperative Producers/Exporters	***	***	***	***	50-60

## **H. EXAMINATION OF INJURY AND CAUSAL LINK**

### **H.1 Submissions made by other interested parties**

95. The following submissions were made by the other interested parties with regard to injury and causal link:
- Cost of sales and selling price of the domestic industry increased in the POI. This increase has been substantial for users.
  - PCN data shows that price decline has not occurred for products which are being imported. Product types of the domestic industry is not directly competing with the imported products.
  - Price effects claimed by the domestic industry could be due to internal competition between the Indian producers and not the landed price of the imports. The Authority should check price information of Indian producers to gauge real reasons behind the price effect.
  - The domestic industry performed well on both price and volume parameters. Volume parameters like capacity, capacity utilization, production, sale increased during the POI. There has been substantial growth in market share and Indian users are waiting to buy from Indian producers. Capacity additions were also made during the POI and in the immediate previous year.
  - The domestic industry's profits did well at operational level. Cash profits were generated, and employment level increased during the POI. The applicants have failed to show injury.
  - The Authority should consider a lower ROCE while calculation of NIP as the subject goods are widely used in households. ADD driven inflation should be avoided in larger public interest.

- vii) The Authority should ensure that the import quantity of the nine items excluded from the PCN is deducted from the total quantity of foil imported from China. Further ensure that the total quantity of imports is revised/reduced when more items are excluded from the course of the investigation.
- viii) Quantity imported through EOU, SEZ and Advance Duty-Free License should be deducted as these imports do not have to comply with BIS requirements.
- ix) Although the domestic industry has claimed heavy loss and grave injury, the same is not reflected in the petition.
- x) Cost of sales of the domestic industry should have declined with the corresponding decline in raw material prices.
- xi) Negative PBT is attributable to significant increase in depreciation and interest cost during the injury period and not due to imports.
- xii) There is significant inter se competition between the domestic producers as the number of producers have increased as compared to the sunset review investigation.
- xiii) The domestic industry has effectively requested that material retardation as well as material injury be assessed as out of 6 producers in the domestic industry, four are new. The Authority cannot conduct assessment of material injury as well as material retardation as it would be inherently contradictory.

## **H.2 Submissions made by the domestic industry**

96. The following submissions were made by the domestic industry with regard to injury and causal link:
- i) Demand for the subject goods has steadily increased during the injury period, including in the POI. Imports from the subject country have surged ever since the cessation of duties in May 2022. Imports have also increased in relation to both production and consumption in India.
  - ii) Since 2015, there has been an increase in capacities by existing and new producers. The Indian producers have sufficient capacities to meet the Indian demand, and imports in such significant volumes are not necessary.
  - iii) The landed price of imports from China PR has been below the selling price of the Indian industry throughout the injury period. The price undercutting is positive.
  - iv) In the POI, both, cost of sales and selling price declined. However, the decline in selling price is much higher than the decline in cost of sales and has led to significant depressing effect on domestic industry's prices in the POI.
  - v) Imports in the POI were made at prices that were barely above the level of cost of sales but below the domestic industry's selling price. The imports have resulted in significant depressing effect on the prices of the applicant domestic industry.
  - vi) The installed capacity, production and sales have increased over the injury period. However, these levels are much below that of the domestic industry would have gained in the absence of dumping, particularly considering the capacity addition. In the POI, had the applicants not reduced their prices to be able to compete with imports, these

- trends of production, utilisation and consequent sales, would have seen a much adverse impact.
- vii) Capacity utilization has declined over the injury period. While this is additionally because of new capacity addition, the domestic industry would not have faced this decline in capacity utilization, had there been no dumping by the Chinese producers.
  - viii) Market share of the imports from the subject country has increased significantly in the POI. The market share of the subject imports is around 2 times in the POI compared to that in the base year.
  - ix) Market share of the domestic industry, and of the domestic producers as a whole has declined in the POI, despite increasing capacities, and entrance of new producers.
  - x) PBIT, cash profits and ROI increased in the year prior to POI but declined thereafter. The domestic industry once again suffered financial losses in the POI.
  - xi) Employment, salary and wages, and productivity have increased over the injury period.
  - xii) Salary per employee declined over the period. Further, salary & wages per unit of production has steeply declined over the period. However, despite decline in salary & wages cost per unit of production, profitability of the domestic industry declined in the POI as compared to previous year.
  - xiii) The domestic industry comprises of new producers who have begun production in the year prior to the POI and are at a nascent stage of production. The companies and few supporters have made such significant investments considering the fair market situation that was prevalent in the Indian market. However, considering the current prices at which imports are entering the Indian market, these companies have been prevented from achieving projected level of performance. The Authority may kindly consider the actual performance of these companies and compare the same with the projections drawn while making investments.
  - xiv) Growth of the domestic industry in terms of volume parameters was adverse and negative in respect of price parameters in the POI.
  - xv) The dumping margins are not only more than *de minimis* but also significant.
  - xvi) There is threat of material injury from the subject imports. There is a significant rate in increase in import. The increase in POI as compared to preceding year is 162%. Further, this increase in imports is despite fresh capacities in India.
  - xvii) There are freely disposable capacities in the subject country. The International Aluminium Institute (IAI) as reported on Reuters, has stated that the Chinese annualised production run-rate has increased by 2.1 million metric tons since March 2023 and registered a fresh all-time high of 42.4 million tons in August 2023. China registered growth of 2.5% in January-August, while the rest of the world lagged with more modest growth of 0.5%.
  - xviii) Circumvention investigation have been initiated by other authorities. The exporters or producers in China have circumvented duties earlier imposed on China, as is evidenced by EU taking action on imports from Thailand.
  - xix) Dumping from Thailand producers is largely by the producers owned by Chinese foil producers.
  - xx) The shifting of dumping from one source to other and from one product to other shows that the Indian market is a favourite destination for Chinese producers. There is also a

potential of product shifting, as in the past with imposition of duties on China, imports of the subject goods started to increase from other sources viz. Thailand, Malaysia and Indonesia.

- xxi) The volume of subject imports has increased significantly during the POI.
- xxii) Imports are causing price undercutting. Resultantly, the volume of imports has increased significantly.
- xxiii) The price undercutting is causing suppressing/depressing effects on the prices in the market.
- xxiv) The suppressing/depressing effect on the prices in the market is causing significant financial losses, decline in cash profits and ROI.
- xxv) The capacity utilisation of the applicants have declined, despite an increase in demand.
- xxvi) The increase in volume of dumped imports has resulted in decline in market share of the domestic industry.
- xxvii) Imports in excess of demand-supply gap increased significantly. This has prevented utilisation of production capacities in the country.
- xxviii) The prices at which imports are entering the Indian market i.e. even below cost has prevented the domestic industry from raising prices in proportion to the increase in costs. Resultantly, the domestic industry is being compelled to sell below costs, and thereby suffer immense losses.
- xxix) The imports from third countries are higher in prices or insignificant in volumes and are thus not causing injury to the domestic industry.
- xxx) There has been an increase in demand of the product over the proposed injury period.
- xxxi) The technology and production process for producing the product under consideration has not undergone any significant development. The domestic industry has recent technology for production of the product.
- xxxii) The pattern of consumption with regard to the product under consideration has not undergone any change.
- xxxiii) There is no trade restrictive practice, which could have contributed to the claimed injury to the domestic industry.
- xxxiv) Information has been provided only in respect to the domestic operations of the domestic industry. There are no exports made by the domestic industry during the entire injury period.
- xxxv) The injury information provided relates solely to the performance of product under consideration and is the only relevant information for the present purpose.

### **H.3 Examination by the Authority**

- 97. The Authority has taken note of the submissions made by the interested parties and has examined various parameters in accordance with the Rules after duly considering the submissions made by the interested parties. The injury analysis made by the Authority hereunder *ipso facto* addresses the various submissions made by the interested parties.
- 98. Rule 11 of the Rules read with Annexure II provides that an injury determination shall involve examination of factors that may indicate injury to the domestic industry, taking into

account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on the domestic producers of such articles. In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. For the examination of the impact of the dumped imports on the domestic industry in India, indices having a bearing on the state of the industry such as production, capacity utilization, sales volume, inventory, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the Rules.

99. It is noted that post expiration of duty earlier imposed on the subject goods, the volumes of subject imports at dumped prices increased significantly and resultantly the applicants' performance was adversely impacted. The injury analysis made by the Authority hereunder *ipso facto* addresses the various submissions made by the interested parties. However, the specific submissions made by the interested parties, and considered relevant, are addressed by the Authority as below:
100. With regard to the arguments made by the other interested parties regarding material injury and material retardation co-existing, the Authority notes that material injury and material retardation can be examined simultaneously. However, in the present investigation, the Authority has examined only material injury with respect to the domestic industry.
101. As regards the contention of the interested parties that imports made under duty exemption scheme should be excluded while conducting injury analysis, it is a consistent practice of the Authority not to exclude such imports for conducting injury analysis. The Authority in the past has examined similar issues in various cases and have held that the imports made under duty exemption scheme cannot be considered to have not affected the price in the domestic market. An advance license/authorisation holder has a choice either to import the inputs on a duty-free basis or procure the same from indigenous sources by using the mechanism of advance release order. Further, the consumers not having advance authorisation can import the material after payment of customs duty instead of buying from the Indian industry. The Indian industry thus faces benchmarking effects of such imports on their prices. If the Indian industry quotes prices much higher than the likely landed price of imports by buyers who do not have advance authorisation, the consumers are likely to shift to imports after payment of customs duty. The purpose of injury analysis is to examine and capture the effect of dumped imports on the domestic industry. Therefore, it would not be reasonable to exclude duty free imports for the purpose of injury analysis. Import under advance license is a benchmark for the price at which goods can be imported by a consumer after payment of taxes and duties. It would not be appropriate to consider that imports made under advance license do not cause injury to the domestic industry. It is however clarified that the Authority has added customs duty even in case of duty-free imports, even though the same were not paid by the users.

### H.3.1 Assessment of demand/ apparent consumption

102. The Authority has defined, for the purpose of the present investigation, demand, or apparent consumption of the subject goods in India as the sum of domestic sales of the applicants and imports from all sources. The demand for the PUC is as follows:

Particulars	Unit	2019-20	2020-21	Apr. '21-Sep. '22 (Annl.)	POI (Oct. '22-Sept. '23)
Sales of domestic industry	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>118</i>	<i>171</i>	<i>200</i>
Sales of supporters	MT	-	-	***	***
<i>Trend</i>	<i>Indexed</i>	-	-	<i>100</i>	<i>343</i>
Sales of other producers*	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>115</i>	<i>106</i>	<i>88</i>
Subject country China PR	MT	22,213	16,844	20,612	61,745
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>76</i>	<i>93</i>	<i>278</i>
Imports from other countries dumping	MT	23,925	18,359	37,257	27,033
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>77</i>	<i>156</i>	<i>113</i>
Thailand	MT	18,043	16,244	36,085	27,007
Indonesia	MT	3,410	1,530	994	19
Malaysia	MT	2,472	586	177	7
Other Countries	MT	20,098	19,202	16,729	5,255
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>96</i>	<i>83</i>	<i>26</i>
Total Indian Demand	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>101</i>	<i>121</i>	<i>135</i>

\*As per market intelligence as provided by the applicants

103. It is seen that the demand for the product under consideration have consistently increased over the injury period, including in the POI. Imports from the subject country has increased 2.78 times during the POI as compared to the base year.



### H.3.2 Volume effect of dumped imports on domestic industry

#### a) Imports in absolute and relative terms

104. With regard to the volume of the dumped imports, the Authority is required to consider whether there has been a significant increase in the dumped imports, either in absolute terms or in relation to production or consumption in India. For the purpose of the injury analysis, the Authority has relied upon the transaction-wise data from DG Systems. The Authority has considered the data based on the finalised PUC and PCN of the subject goods. The import volumes of the subject goods and share of the same during the injury investigation period are as follows:

Particulars	Unit	2019-20	2020-21	Apr. '21-Sep. '22 (Annl.)	POI (Oct. '22-Sept. '23)
<b>Imports Volume</b>					
Subject Country China PR*	MT	22,213	16,844	20,612	61,745
Imports from other countries dumping	MT	23,925	18,359	37,257	27,033
Thailand	MT	18,043	16,244	36,085	27,007
Indonesia	MT	3,410	1,530	994	19
Malaysia	MT	2,472	586	177	7
Other Countries	MT	20,098	19,202	16,729	5,255
Total Imports Volume	MT	66,235	54,405	74,598	94,033
<b>Subject imports in relation to</b>					
Particulars	Unit	2019-20	2020-21	Apr. '21-Sep. '22 (Annl.)	POI (Oct. '22-Sept. '23)
Total imports	%	34	31	28	66
<i>Trend</i>	<i>Indexed</i>	100	92	82	196
Production	%	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	67	67	196
Consumption	%	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	75	77	206

- *DG System*

105. It is seen that:

- Imports from the subject country have increased over the injury period with significant increase registered in the POI. Subject imports in the POI are around three times of the volume in the base year. This surge in imports occurred despite the fact that the Indian industry is expanding capacities and a number of new producers have already entered and are entering the market.
- Imports from other countries attracting duties also remain significant.
- Imports in relation to Indian production and consumption has shown significant increase in the POI.
- Subject imports increased in relation to the total imports of the product in India.

### **H.3.3. Price effect of dumped imports on domestic industry**

106. With regard to the effect of the dumped imports on prices, it is required to be analysed whether there has been a significant price undercutting by the alleged dumped imports as compared to the price of the like product in India, or whether the effect of such imports is otherwise to depress prices or prevent price increases, which otherwise would have occurred in normal course.

107. Accordingly, the impact on the prices of the domestic industry on account of dumped imports of the subject goods from the subject country has been examined with reference to price undercutting and price suppression/depression, if any. For the purpose of this analysis the cost of sales and the net sales realization (NSR) of the domestic industry have been compared with the landed price of the subject imports from the subject country.

#### **a. Price undercutting**

108. In order to determine whether the imports are undercutting the prices of the domestic industry in the market, price undercutting has been worked out by comparing the landed price of the subject imports with the selling price of the domestic industry during the injury period. For the purpose, the Authority notes that there is significant difference in the prices of different types of the product under consideration. Therefore, the Authority has compared landed price of imports with the selling price of the domestic industry for comparable types. Thus, weighted average price undercutting has been determined after considering associated import volumes. This comparison showed that during the period of investigation, the subject goods originating in the subject country were imported into the Indian market at prices which were lower than the selling prices of the domestic industry. It is thus noted that

imports of the subject goods were undercutting the domestic prices and margin of undercutting is shown as per the table below:

Particulars	Unit	POI
Selling price	₹/MT	***
Landed price	₹/MT	3,42,099
Price undercutting	₹/MT	***
Price undercutting	%	***
Price undercutting %	Range	0-10

109. The imports are undercutting the prices of the domestic industry.

**b. Price Suppression or Depression**

110. For the purpose of analysing price suppression and depression in the domestic market, the applicants have provided information about (a) cost of sales, (b) domestic selling price as is given in the table below.

Particulars	Unit	2019-20	2020-21	Apr. '21-Sep. '22 (Annl.)	POI (Oct. '22-Sept. '23)
Cost of Sales	₹/Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>100</i>	<i>131</i>	<i>139</i>
Selling Price	₹/Kg	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>103</i>	<i>153</i>	<i>143</i>
Landed Price	₹/Kg	215	219	358	342
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>102</i>	<i>167</i>	<i>159</i>

111. It is seen that the cost of sales and selling price of the domestic industry have increased over the injury period. The cost of sales increased in the POI as compared to the previous year by Rs. \*\*\*/Kg, whereas, selling price declined by Rs. \*\*\*/Kg in the POI. It is seen that the movement of selling price has followed the movement of the landed price. The decrease in selling price in the POI as compared to the preceding year is not proportionate to the decrease in landed price in the POI as compared to the previous year. It is also noted that the applicants have filed an application seeking enhancement of duties on Thailand whose

imports remain significant despite imposition of duties. The Authority is, in parallel, undertaking a mid-term review investigation.

#### **H.3.4. Economic Parameters of the domestic industry**

112. Annexure II to the Rules provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth and the ability to raise capital investments. Accordingly, various injury parameters relating to the domestic industry are discussed herein below.

113. The performance of the applicants in the POI has been compared with its performance in the base year.

##### **a) Capacity, Production, Capacity Utilization and Sales**

114. The Authority has considered the capacity, production, capacity utilization and sales volume of the domestic industry over the injury period.

<b>Particulars</b>	<b>Unit</b>	<b>2019-20</b>	<b>2020-21</b>	<b>Apr. '21-Sep. '22 (Annl.)</b>	<b>POI (Oct. '22- Sept. '23)</b>
Capacity	MT	53,756	67,910	1,15,073	1,32,140
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>126</i>	<i>214</i>	<i>246</i>
Production	MT	27,843	34,452	57,492	69,572
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>124</i>	<i>206</i>	<i>250</i>
Capacity utilization	%	52%	51%	50%	53%
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>98</i>	<i>96</i>	<i>102</i>
Domestic sales	MT	24,363	28,837	41,758	48,692
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>118</i>	<i>171</i>	<i>200</i>
Export sales	MT	***	***	***	***
	<i>Indexed</i>	<i>100</i>	<i>192</i>	<i>541</i>	<i>779</i>

115. It is seen that:

- a. Demand for the PUC has increased over the injury period. Resultantly, a number of companies set up fresh capacities. The applicant companies namely, Shyam Sel & Power Limited, LSKB, GLS commenced production in the year prior to the POI while the capacity with the domestic industry has increased over the injury period.
- b. The installed capacity and production have increased over the injury period. Domestic sales have also followed the same trend and increased over the injury period. However, these levels are below the levels that the domestic industry would have gained in the absence of dumping, particularly considering the capacity additions.
- c. Capacity utilization remains low over the injury period.

**b) Market Share in Demand**

116. The market share of the subject imports and the domestic industry over the entire injury period was as follows:

Particulars	Unit	2019-20	2020-21	Apr. '21-Sep. '22 (Annl.)	POI (Oct. '22-Sept. '23)
Domestic industry	%	17	20	24	25
<i>Trend</i>	<i>Indexed</i>	100	118	142	148
Supporters	%	0	0	1	3
<i>Trend</i>	<i>Indexed</i>	-	-	100	308
Other Producers	%	38	43	33	25
<i>Trend</i>	<i>Indexed</i>	100	114	88	65
Indian industry	%	55	63	58	52
<i>Trend</i>	<i>Indexed</i>	100	115	106	95
Subject Country -China PR	%	15	11	12	31
Countries attracting ADD	%	16	13	21	14
Other Countries	%	14	13	9	3
Demand in India	MT	1,45,726	1,46,510	1,76,366	1,96,266
Installed capacities in India	MT	1,46,973	1,68,790	2,12,733	2,89,735
Demand-supply gap	MT	1,247	22,280	36,367	93,469

117. It is seen that the market share of the domestic industry increased over the injury period. However, the market share of China PR, which was 11% and 12% in the year preceding the POI, increased significantly and sharply to 31% in the POI. The applicants have submitted that the market share of the domestic industry and the Indian industry should have increased at least to the extent market was vacated by other countries earlier resorting to dumping.

**c) Profitability, Cash profits, and Return on Capital Employed**

118. The profit, profitability, cash profits, profit before interest (PBIT), and return on investment of the domestic industry over the injury period has been analysed as follows:

Particulars	Unit	2019-20	2020-21	Apr. '21-Sep. '22 (Annl.)	POI (Oct. '22-Sept. '23)
Profit/Loss	₹/Mt	(***)	(***)	***	(***)
<i>Trend</i>	<i>Indexed</i>	<i>-100</i>	<i>-65</i>	<i>124</i>	<i>-87</i>
PBIT	₹ Lacs	(***)	(***)	***	(***)
<i>Trend</i>	<i>Indexed</i>	<i>-100</i>	<i>-51</i>	<i>299</i>	<i>-103</i>
PBIT per unit	₹/MT	(***)	(***)	***	(***)
<i>Trend</i>	<i>Indexed</i>	<i>-100</i>	<i>-41</i>	<i>140</i>	<i>-41</i>
Cash Profit	₹ Lacs	(***)	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>-100</i>	<i>133</i>	<i>1,329</i>	<i>39</i>
Cash Profit per unit	₹/MT	(***)	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>107</i>	<i>625</i>	<i>16</i>
Return on Capital Employed	%	(***)	(***)	***	(***)
<i>Trend</i>	<i>Indexed</i>	<i>-100</i>	<i>-50</i>	<i>133</i>	<i>-54</i>

119. It is seen that:

- The domestic industry was incurring losses in the base year and second year. It is recalled that anti-dumping was earlier imposed on the subject goods from China PR. Imposition of such duty led to shift in imports from Thailand, Malaysia, Indonesia and China PR. The Authority recommended imposition of anti-dumping duty on these countries on 18<sup>th</sup> June, 2021 and this recommendation was accepted by MoF on 16<sup>th</sup> Sept., 2021. Thus, the domestic industry was suffering injury on account of dumped

imports from other sources during this period. Imposition of duty on such sources led to some improvement in 2021-22 and the period April- September 2022. With cessation of ADD on China PR, profitability of the domestic industry has, however, very steeply declined in the POI. The domestic industry is once again suffering financial losses.

- b. Cash profits, profit before interest, profit before interest & depreciation, and return on capital employed have shown the same trend as that of profits. Performance of the domestic industry improved on these accounts in April 21 - September 22 period and declined steeply in the POI. The domestic industry earned negative return on capital employed.

**d) Inventory**

120. The data relating to inventory position of the domestic industry over the injury period and POI is given in the table below:

<b>Particulars</b>	<b>Unit</b>	<b>2019-20</b>	<b>2020-21</b>	<b>Apr. '21-Sep. '22 (Annl.)</b>	<b>POI (Oct. '22-Sept. '23)</b>
Opening	MT	***	***	***	***
Closing	MT	***	***	***	***
Average	MT	1,283	1,314	3,129	5,146

121. The Authority notes that average level of inventories with the domestic industry has increased over the injury period.

**e) Employment, Wages and Productivity**

122. The position with regard to employment, wages and productivity of the domestic industry is as follows:

<b>Particulars</b>	<b>Unit</b>	<b>2019-20</b>	<b>2020-21</b>	<b>Apr. '21-Sep. '22 (Annl.)</b>	<b>POI (Oct. '22-Sept. '23)</b>
No of employees	Nos.	877	902	1,792	1,831
<i>Trend</i>		<i>100</i>	<i>103</i>	<i>204</i>	<i>209</i>
Salaries & Wages	₹ Lacs	***	***	***	***
<i>Trend</i>		<i>100</i>	<i>99</i>	<i>163</i>	<i>183</i>

Productivity Per day	MT/Day	88	97	194	188
<i>Trend</i>		<i>100</i>	<i>110</i>	<i>221</i>	<i>214</i>

123. The Authority notes that the number of employees and wages paid increased over the injury period. This is because of increase in capacities and number of producers in the Indian market. Productivity of the employees increased till April 21- September 22 period and declined thereafter in the POI.

**f) Growth**

124. The information with respect to growth of the applicants is given below:

<b>Particulars</b>	<b>Unit</b>	<b>2020-21</b>	<b>Apr. '21-Sep. '22 (Annl.)</b>	<b>POI (Oct. '22-Sept. '23)</b>
Production	%	24	71	16
Domestic Sales	%	18	45	17
PBIT		59	444	-130
Cash Profit - Rs. Lacs	%	233	900	-97
Return on Capital Employed	%	3%	12%	-13%

125. It is seen growth in terms of volume parameters has been positive and negative in terms of price parameters.

**g) Magnitude of Dumping and Dumping Margin**

126. It is seen that dumping margin from the subject country is not only more than *de-minimis* but also significant.

**I. NON-ATTRIBUTION ANALYSIS (OTHER FACTORS)**

127. The Authority examined whether other factors listed under the anti-dumping Rules could have caused injury to the domestic industry. The Authority examined known factors other than the dumped imports and ascertain whether these are at the same time have been injuring



the domestic industry, so that the injury caused by other factors, if any, is not attributable to the dumped imports. Factors which are relevant in this respect include, *inter alia*, the volume of subject goods not sold at dumped prices, contraction in demand or changes in the pattern of consumption, trade restrictive practices, changes in technology, the export performance of the domestic industry and the productivity of the domestic industry.

**a) Volume and prices of imports from third countries**

128. It is seen that the imports of the product under consideration from other countries are either attracting duties or the volume is insignificant. The domestic industry has sought enhancement of duties-imposed on Thailand and the Authority is undertaking mid-term review investigation against imports from Thailand. Therefore, imports from other countries are not a cause of material injury suffered by the domestic industry.

**b) Contraction in Demand**

129. The demand has consistently increased throughout the injury period. Thus, possible decline in demand is not the cause of injury.

**c) Changes in pattern of consumption**

130. There are no changes in the pattern of consumption for the product under consideration over the injury period that could have caused injury to the domestic industry.

**d) Conditions of competition and trade restrictive practices**

131. The investigation has not shown any change in the conditions of competition or any trade restrictive practices.

**e) Developments in Technology**

132. No evidence has been brought forward to show that there are no significant changes in technology.

**f) Export performance of the domestic industry**

133. The information provided has been considered for domestic operations of the domestic industry.

#### **g) Performance of other products**

134. The domestic industry has provided the injury data for the PUC and the same has been adopted by the Authority for the purpose of injury analysis. Performance of other products produced and sold by the domestic industry have not been considered.

#### **Factors establishing causal link**

135. Analysis of the performance of the domestic industry over the injury period provisionally shows material injury to the domestic industry. The causal link between dumped imports and the injury to the domestic industry is established on the following grounds:
- i. Imports have increased in absolute terms and have remained significant in relative terms. Imports have increased despite increase in capacity and production in the country.
  - ii. Landed price of the subject imports is below the selling price of the domestic industry and also below the cost of sales in the POI and has caused price depression.
  - iii. While market share of the domestic industry increased by 3% in the POI as compared to the previous year, market share of the subject country increased steeply by 18% even with new players entering the domestic market.
  - iv. The domestic industry has not been able to increase production and sales to the level that would be reasonable had there been an absence of dumping, commensurate with the addition of new capacities.
  - v. Inventories of the domestic industry has been on the rise and has increased significantly in the POI.
  - vi. The domestic industry's profitability and return on capital employed has been adversely affected. The domestic industry made profits in April 21- Sept 22 which turned into losses in the POI. Cash profits has declined steeply in the POI and ROI also became negative.
136. The above analysis indicates that the domestic industry is suffering material injury due to increased dumped imports of the PUC into India from the subject country. There exists a causal relation between the increase in dumped imports of the subject goods originating in or exported from the subject country and the material injury suffered by the domestic industry.

#### **J. MAGNITUDE OF INJURY MARGIN**

137. The Authority has determined the NIP for the domestic industry on the basis of principles laid down in the Rules read with Annexure III, as amended. The NIP of the product under consideration has been determined by adopting the information/data relating to the cost of production provided by the domestic industry. The NIP has been considered for comparing

the landed price from the subject country for calculating injury margin. For determining the NIP, the best utilisation of the raw materials and utilities has been considered over the injury period. Best utilisation of production capacity over the injury period has been considered. Extraordinary or non-recurring expenses have been excluded from the cost of production. A reasonable return (pre-tax @ 22%) on average capital employed (i.e., average net fixed assets plus average working capital) for the product under consideration was allowed as pre-tax profit to arrive at the NIP as prescribed in Annexure III to the Rules.

### **Injury Margin for related producers and Exporters**

138. It is noted that in the subject investigation many cooperating producers and exporters are related to each other and form a group of related companies. It has been a consistent practice of the Authority to consider related exporting producers and exporters as one single entity for the determination of a injury margin and thus to establish one single injury margin for them. This is in particular because calculating individual injury margins might encourage circumvention of antidumping measures, thus rendering them ineffective, by enabling related exporting producers to channel their exports to India through the company with the lowest individual injury margin.
139. In accordance with the above, related producers and exporters have been regarded as one single entity and attributed one single injury margin which was calculated on the basis of the weighted average of the injury margins of the cooperating related producers and exporters.
140. Based on the landed price and the NIP determined as above, the injury margin as provisionally determined by the Authority is provided in the table below.

### **Injury Margin**

Company	Non-Injurious Price	Landed Price	Injury Margin	Injury Margin	range
	USD/MT	USD/MT	USD/MT	%	
Henan Mingtai technology development Co., Ltd.	***	***	***	***	10-20
Henan Mingsheng New Material Technology Co. Ltd.					
Sunho New Materials Technology Co. Ltd.	***	***	***	***	10-20
Shanghai Sunho Aluminium Foil Co. Ltd.					

Jiangsu Dingsheng New Materials Joint-Stock Co. Ltd.	***	***	***	***	10-20
Inner Mongolia Lian Shen New Energy Co. Ltd.					
Hangzhou Five Star Aluminium Co. Ltd.,					
Non sampled cooperative producers	***	***	***	***	10-20
Non-Cooperative Producers/Exporters	***	***	***	***	30-40

## **K. INDIAN INDUSTRY'S INTEREST & OTHER ISSUES**

### **K.1 Views of other interested parties**

141. The following submissions have been made by the other interested parties with regards to public interest:

- i) The Authority has imposed several duties on aluminium foil from China PR on continuous basis but the domestic industry still wants needs protection.
- ii) There have been new entrants in the market and many more are under pipeline.
- iii) Due care should be ensured to prevent the creation of monopoly.
- iv) The final cost of the product will be higher with duties imposed. The price of the product, with duty amount added, will lead to affordability issues for the end consumers. Subject goods are a daily use product ultimately used in every household.
- v) Cost of production for goods such as aluminium foil containers will increase with duties. 80-85% of the cost of production is the subject goods and the duties will have adverse impact on such production.
- vi) Consumers will have to import even with the addition of duties to ensure constant availability of goods for which an exorbitant price will be charged by the domestic producers.
- vii) The domestic industry lacks adequate quality required by the downstream users of the subject goods in India, thereby necessitating imports.
- viii) If duties are imposed, it will adversely affect downstream producers and lead to inability to source the subject goods with good product quality, lead times, and impact the ability of downstream producers to meet the customer's demands.
- ix) Cost of downstream finished goods would increase, making the Indian downstream industry unviable. Imports of finished goods from other countries would increase and cause injury to the flexible packaging industry in India.

## **K.2 Views of the domestic industry**

142. The following submissions have been made by the domestic industry with regards to public interest:

- i) It is in the interest of consumers to have a market with fairly priced products powered by a domestic industry that can compete with the imports.
- ii) Encouraging domestic manufacturing activities in India is essential to aid its role in becoming a manufacturing powerhouse. Domestic production will further boost employment and increase the GDP of the country.
- iii) Imposition of anti-dumping duties is essential to ensure a level playing field and prevent India from becoming solely import reliant on the product.
- iv) The applicant companies are a multi-product company. If the performance of one of the business divisions of the applicant companies encounters severe setbacks, it will inevitably affect other divisions within the company as well. Therefore, the viability of this product is of utmost importance for the entire ecosystem of the applicant companies.
- v) The cost on account of aluminium for a consumer is miniscule. The downstream user of the subject goods are industries using aluminium foil for protection, storage, and preparation of foods and beverages, pharmaceutical packaging etc. The Authority in the previous sunset review investigation held that no material increases in the price of the product either by domestic industry or Chinese producers.
- vi) The domestic industry has quantified the impact of proposed duties in the present investigation. On an average for different end users, the impact is ranging from 0.026 – 4.36%.
- vii) The subject goods imported from China PR were previously subject to anti-dumping measures. There is no public information to show that the previously imposed measures had any adverse impact on the end consumer.
- viii) The Indian industry has grown significantly since the imposition of the earlier duties. They have made significant investment and expanded capacities because the government previously remedied dumping and provided a level playing field by imposing duties on the imports from China PR. As against demand-supply gap in the past, the Indian industry now has surplus capacities.
- ix) The aluminium industry of India produces the second-highest volume of aluminium and its products in the world. The aluminium production of the Indian companies contributes nearly 2% of India's GDP.
- x) Aluminium foil is an eco-friendly alternative to plastic bottles which are major contributors to pollution. Aluminium foil is a non-toxic material which does not embrittle at extreme temperatures, reflects almost all radiant heat. It is also a good thermal conductor and usually quite malleable.

### K.3 Examination by the Authority

143. The Authority notes that the purpose of imposition of anti-dumping duty, in general, is to eliminate injury caused to the domestic industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country. Imposition of anti-dumping measures does not aim to restrict imports from the subject country in any way. Trade remedial investigations are intended to restore equal competitive opportunities in the domestic market by ensuring a level playing field for domestic producers by the imposition of appropriate duties against trade distorting imports. At the same time, the Authority is aware that the impact of such duties is not limited to only the domestic producers of the PUC but also affects the users and consumers of the PUC. Moreover, the imposition of duties may introduce competition concerns domestically but can concurrently stimulate the emergence of new producers within the country.
144. The Authority issued initiation notification inviting views from all the interested parties, including importers, consumers and others. The Authority also prescribed a questionnaire for the users/ consumers to provide relevant information about the present investigation including any possible effects of anti-dumping duty on their operations. Information was sought on, *inter-alia*, interchangeability of the product supplied by various suppliers from different countries, ability of the domestic industry to switch sources, effect of anti-dumping duty on the consumers, factors that are likely to accelerate or delay the adjustment to the new situation caused by imposition of anti-dumping duty.
145. The opposing interested parties have not provided any quantifiable and/or verifiable information on the likely impact of anti-dumping duty on the downstream industry and end customers. However, the domestic industry has submitted quantifiable and verifiable information on the impact of duty to end consumers. On an average for different end users, the impact is ranging from 0.026 – 4.36%.
- a. Pharmaceutical Blister Pack – 0.026%
  - b. Pharmaceutical Strip Pack – 0.073%
  - c. Pharmaceutical Alu Alu Stock:
    - i. Blistor foil – 0.022%
    - ii. Alu Alu – 0.046%
    - iii. Telma 40 – 0.068%
  - d. Flexible packaging – 0.071%
  - e. Housefoil – 3.5%
  - f. SRC – 4.36%

146. None of the previously concluded investigations did the consumers contend that the duties had any adverse impact on their operations or referenced to any increased cost or hardship caused to them by the duties that were imposed earlier.
147. The Authority notes that new capacities 64230 MT has been introduced. Also, it is noted that the Indian industry holds capacity more than entire demand for the subject goods in the country. The total Indian capacity of 2,89,735 MT is more than established demand of 1,96,266 MT in the POI.
148. The Authority notes that the volume of imports from the subject country has increased significantly in the POI. The increase in imports from the subject country has adversely impacted the market share of the domestic industry. Further, it is also noted that the Indian Industry holds sufficient capacity to meet the demand in the country and there is no demand supply gap. It is also in the interest of the user industry to have sources of supply of subject goods within the Indian territory for prompt and short-term delivery of the subject goods. It is also in the long-term interest of the user industry to maintain multiple sources of supply.

#### **L. CONCLUSION AND RECOMMENDATION**

149. Based on the submissions made, information provided and facts available before the Authority as recorded above and on the basis of the above analysis of dumping and consequent injury to the domestic industry, the Authority concludes the following:
- i. The scope of the product under consideration is “aluminium foil upto 80 microns, excluding aluminium foil below 5.5 micron for non-capacitor application” originating in or exported from China PR.
  - ii. The subject goods are classified under the customs sub-headings 76071190, 76072090, 76072010, 76071110, 76071999, 76071991, 76071995, 76071910, 76071994, 76071993 and 76071992.
  - iii. The application has been filed by M/s Hindalco Industries Ltd., M/s Shyam Sel & Power Ltd, M/s Shree Venkateshwara Electrocast Pvt. Ltd., M/s Ravi Raj Foils Ltd., M/s GLS Foils Product Pvt. Ltd., and M/s LSKB Aluminium Foils Pvt. Ltd. The applicants constitute domestic industry, under Rule 2(b) of the Rules and satisfies the criteria of standing in terms of Rule 5(3).
  - iv. The combined capacities and production of these domestic producers during the POI was 1,32,140 MT and 69,572 MT respectively, as against known Indian capacity and production of 2,89,735 MT and 1,26,495 MT. These companies thus collectively command about 45% of capacity and 54% of production in the POI.
  - v. The present petition has been supported by ESS DEE Aluminium Ltd., Sparsh Industries Ltd., SRF Altech Ltd., and Trefoil Packaging Pvt. Ltd.
  - vi. The subject goods exported from China PR and the article manufactured by the domestic industry are ‘like article’ to each other in terms of Rule 2 (d) of the AD Rules, 1995. As

per the data on record, the defined domestic industry can produce and supply all kinds of product types that have been imported into India.

- vii. In order to ensure fair comparison between domestic and imported products and for establishing dumping, the Authority has adopted a PCN system and established dumping margin and injury margin by considering PCN wise data.
  - viii. The product under consideration has been exported to India at a price below the normal value, resulting in dumping. The dumping margin is not only above *de-minimis* level but also significant.
  - ix. Imports from the subject country constitute a majority of the total imports into India throughout the injury period, and almost 66% in the POI. Further, the volume of subject imports increased over the injury period, especially in the POI.
  - x. Subject imports have captured 30% of the Indian market despite the applicants having sufficient capacity to meet the domestic demand. The rise in Chinese imports was far sharper compared to the increase in demand. The overall increase in consumption was 106% in the POI compared to the base year, the imports increased by 178% and Indian producer's sales increased by 29% only.
  - xi. The imports are undercutting the prices of the domestic industry. The price undercutting has led to price depression suffered by the domestic industry. The domestic industry has been forced to reduce the selling price more than the cost of production.
  - xii. The capacity, production and domestic sales volume have increased over the injury period.
  - xiii. The market share of the subject country has increased over the injury period.
  - xiv. Despite applicants holding sufficient capacity to cater to the existing demand, the domestic industry barely holds a share of 55% in the Indian market.
  - xv. Increase in imports in the POI has resulted into losses to the domestic industry. The cash profit, ROI have declined steeply in the POI.
  - xvi. The average inventories of the applicants have increased significantly in the POI.
  - xvii. The dumped imports have adversely affected the growth of the domestic industry in respect of both volume and price parameters.
  - xviii. The Authority has examined the submissions made by other parties on any other factors which could have caused injury to the domestic industry. No other factor has caused injury to the domestic industry. The Authority provisionally concludes that the material injury suffered by the domestic industry has been caused by the dumped imports from the subject country.
  - xix. The Authority had prescribed an economic interest questionnaire which was sent to all interested parties to this investigation. The domestic industry has also provided a quantification of the potential impact of the duty. The Authority has quantified the impact of anti-dumping duty on the consumers. It is seen that the impact of the proposed measures will be minimal.
150. Having initiated and conducted the investigation into dumping, injury, and causal link in terms of the provisions laid down under the Anti-Dumping Rules, the Authority is of the view that imposition of the provisional anti-dumping duty is required to offset the dumping and consequent injury. The Authority considers it necessary to recommend imposition of



the provisional anti-dumping duty on the imports of the subject goods originating in or exported from the subject country.

151. Having regards to the lesser duty rule followed, the Authority recommends imposition of provisional anti-dumping duty equal to the lesser of the margin of dumping and the margin of injury so as to remove the injury to the domestic industry. Accordingly, the Authority recommends imposition of provisional anti-dumping duty on the imports of subject goods originating in or exported from the subject country, equal to the amount mentioned in Col. 7 of the duty table appended below, to be issued in this regard by the Central Government. The landed value of the imports for this purpose shall be the assessable value as determined by the Customs under Customs Act, 1962 and applicable level of the customs duties except duties levied under Section 3, 3A, 8B, 9, 9A. of the Customs Tariff Act, 1975.

### DUTY TABLE

S N	Heading/ sub- heading	Description of goods	Countr y of origin	Country of export	Producer / exporter	Amoun t	Unit of measuremen t (MT)	Currenc y
								(USD)
1	2	3	4	5	6	7	8	9
1.	<b>76071190, 76072090, 76072010, 76071110, 76071999, 76071991, 76071995, 76071910, 76071994, 76071993 and' 76071992 *</b>	“Aluminium foil upto 80 microns, excluding aluminium foil below 5.5 micron for non-capacitor application ”	China PR	Any Country including China PR	Henan Mingtai technology development Co. Ltd.	653	MT	USD
		<b>** Excluding the following</b>			Henan Mingsheng New Material Technology Co. Ltd.			
2	do	do	China PR	Any Country includin	Sunho New Materials Technology Co. Ltd.	619	MT	USD

S N	Heading/ sub- heading	Description of goods	Countr y of origin	Country of export	Producer / exporter	Amoun t	Unit of measuremen t (MT)	Currenc y
								(USD)
1	2	3	4	5	6	7	8	9
				g China PR	Shanghai  Sunho Aluminum Foil Co. Ltd.			
3	do	do	China PR	Any Country includin g China PR	Jiangsu Dingsheng New Materials Joint-Stock Co. Ltd.	632	MT	USD
					Inner Mongolia Lian Shen New Energy Co. Ltd.			
					Hangzhou Five Star Aluminium Co. Ltd.			
4	do	do	China PR	Any Country includin g China PR	***Non- Sampled Cooperativ e Producers	633	MT	USD
5	do	do	China PR	Any Country other than Subject country	Any Producer other than SN 1,2, 3 & 4	873	MT	USD

S N	Heading/ sub- heading	Description of goods	Countr y of origin	Country of export	Producer / exporter	Amoun t	Unit of measuremen t (MT)	Currenc y
								(USD)
1	2	3	4	5	6	7	8	9
6	do	do	Any Countr y other than Subject country	China PR	Any	873	MT	USD

*\*Note-Customs classification is only indicative, and the determination of anti-dumping duty shall be made as per the description of the PUC*

**\*\* Excluding the following-**

- i. ***Aluminium foil below 5.5 microns from China PR for non-capacitor applications-*** 'Aluminium foil for capacitors applications' below 5.5 microns is within the scope of the product under consideration. This was specifically excluded in the anti-dumping duty investigation conducted on "aluminium foil 80 microns and below originating in or exported from China PR, Malaysia, Thailand and Indonesia."
- ii. ***Ultra-Light Gauge Converted foil meant for use in insulation, spices packing' thermal fluid lines covering and tea bags application*** - Ultra Light Gauge Converted foil is an aluminium foil having thickness of 5.5 micron to 7 micron which is backed with kraft paper and scrim, or glass cloth, whether plain or printed for use in insulation, spices packing, thermal fluid lines covering and tea bags application.
- iii. ***Etched or formed aluminium foils meant for Electrolytic Capacitor*** - Etched or formed aluminium foils is aluminium foil meant to be used in the manufacture of Electrolytic Capacitor
- iv. ***Aluminium composite panel meant for facade cladding and signage applications*** - Aluminium composite panel is a non-aluminium core (often PE) bonded between two thin layers of aluminium, for use in facade cladding and signage.
- v. ***Clad with compatible non clad aluminium foil*** - Clad with compatible non clad aluminium foil is a corrosion-resistant aluminium sheet formed from aluminium surface layers metallurgically bonded to high-strength aluminium alloy core material for use in engine cooling and air conditioner systems in automotive industry and industrial applications; such as radiator, condenser, evaporator, intercooler, oil cooler and heater.

- vi. **Aluminium foil for beer bottle** - aluminium foil of 10.5 micron with rough surface and perforated whether printed or not; to be used in beer bottle.
- vii. **Aluminium- manganese- silicon based and/ or clad aluminium- manganese silicon-based alloys**, whether clad or unclad- with post brazing yield strength greater than 35 MPA, falling under tariff heading 7607 and 7606, for use in heat exchangers including radiators, charge air coolers, condensers, oil coolers, heater cores, evaporators, heat ventilation and air conditioning (HVAC) systems and parts thereof.
- viii. **Adhesive tapes**
- ix. **Colour coated aluminium foil**-either one side or both sides, irrespective of colour, shape or coating.
- x. **Polyurethane coated aluminium foil**- either one side or both sides, irrespective of colour, shape, or coating.

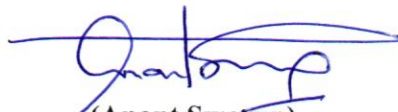
**\*\*\*List of non-sampled companies**

- 1) Shandong Deli Aluminium Technology Co. Ltd
- 2) Jiangsu Zhongji Lamination Materials Co., Ltd.
- 3) Luoyang Longding Aluminium Industries Co. Ltd.
- 4) Xiamen Xiashun Aluminium Foil Co. Ltd.
- 5) Jiangsu Fengyuan Aluminium Master Technology Co. Ltd.
- 6) Luoyang Wanji Aluminium Processing Co. Ltd.
- 7) Kunshan Aluminium Co. Ltd.,

152. The landed value of imports for the purpose of this notification shall be assessable value as determined by the Customs under the Customs Act, 1962 (52 of 1962) and includes all duties of customs except duties under Sections 3, 8B, 9, 9A of the said Act.

**M. FURTHER PROCEDURE**

153. The procedure as below would be followed subsequent to notifying the preliminary findings:
- i. All the interested parties are invited to make their views, on preliminary findings, known at the time of oral hearing.
  - ii. The Authority would hold oral hearing in terms of Rule 6(6) to give an opportunity to all the interested parties to present their views relevant to the investigation followed by written submissions.
  - iii. The date of the oral hearing would be announced on the DGTR website (dgtr.gov.in).
  - iv. The Authority would conduct further verification to the extent deemed necessary.
  - v. The Authority would disclose the essential facts as per the Anti-Dumping Rules before notifying the final findings.

  
**(Anant Swarup)**  
**Designated Authority**