

**To be published in Part – I Section I of the Gazette of India Extraordinary**

**F.No. -7/15/2023-DGTR  
Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Directorate General of Trade Remedies  
4<sup>th</sup> Floor, Jeevan Tara Building,  
5, Parliament Street, New Delhi -110001**

Date: 25 March 2025

**FINAL FINDINGS  
Case No – MTR 03/2023**

**Subject: Mid-Term Review of anti-dumping duty on imports of Decor Paper originating in or exported from China PR.**

**A. BACKGROUND OF THE CASE**

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 “Anti-Dumping Rules” or “the Rules”);

1. The anti-dumping investigation into imports of Decor Paper (hereinafter also referred to as the “product under consideration” or the “subject goods”) originating in or exported from China PR (hereinafter also referred to as the “subject country”) was initiated vide Notification dated 30<sup>th</sup> September 2020 to examine the nature and extent of dumping and its injurious effect on the domestic industry. The Designated Authority (hereinafter also referred to as the “Authority”) vide final findings F. No. 6/38/2020-DGTR dated 28<sup>th</sup> September 2021 recommended imposition of anti-dumping duty on imports of subject goods from the subject country. The Ministry of Finance vide Notification No. 77/2021 – Customs (ADD) dated 27<sup>th</sup> December 2021 imposed the anti-dumping duty on imports of the subject goods from subject country.
2. Post issuance of the final findings notification No. 6/38/2020-DGTR, an exporter of the subject goods from China PR, namely, Hangzhou Huawang New Material Technology Co., Ltd. and an Indian importer, namely, Fakirsons Papchem Private Limited, preferred a Special Civil Application No. 16555 of 2021 on 18th October 2021 before the Hon'ble High Court of Gujarat, against the Department of Commerce (Respondent No. 1), Department of Revenue (Respondent No. 2) and the Designated Authority (Respondent No. 3), challenging the final findings. The writ applicants contended that the exporter

was treated non-cooperative, even though it had submitted the required information and data as called for by the Authority. The Hon'ble High Court directed the Authority to take into account the submissions made by the said exporter and issue a recommendation in this regard. Based on the direction given by the Hon'ble High Court, the Authority considered the submissions made by the exporter and issued Final Findings dated 10<sup>th</sup> April 2022, which were given effect by the Ministry of Finance vide Notification No. 15/2022-Customs (ADD) dated 24<sup>th</sup> May 2022.

3. The Designated Authority received an application, one on behalf of Hangzhou Huawang New Material Technology Co., Ltd and Fakirsons Papchem Private Limited (hereinafter also referred to as the "applicant exporter/importer") requesting re-quantification of margins.
4. The Designated Authority received another application from Indian Laminates Manufacturers' Association (hereinafter also referred to as the "applicant association") on behalf of its members Century Plyboards (India) Limited, Merino Industries Limited, JKS Decor Paper LLP and Thansau Decors Private Limited requesting for clarification of the scope of the product under consideration.
5. And whereas, in view of the duly substantiated applications filed by the applicant exporter/importer and applicant association, the Authority issued a public notice vide Notification No. 7/15/2023-DGTR dated 28<sup>th</sup> March 2023, published in the Gazette of India, initiating comprehensive mid-term review of anti-dumping duty imposed on imports of Decor Paper originating in or exported from China PR in accordance with Section 9A of the Act, read with Rule 23 of the Anti-Dumping Rules.

**B. PROCEDURE**

6. The procedure described below has been followed with regard to the investigation:
  - a. The Authority notified the Embassy of the subject country in India about the receipt of the present mid-term review application before proceeding to initiate the investigation in accordance with sub-rule (5) of Rule 5 supra.
  - b. The Authority issued a public notice dated 28<sup>th</sup> March 2024, published in the Gazette of India, Extraordinary, initiating the mid-term review of anti-dumping duty on import of subject goods from the subject country.
  - c. The Authority sent a copy of the initiation notification to the Government of the subject country, through its Embassy in India, known producers and exporters from the subject countries, known importers / users and the domestic industry as well as other interested parties, as per the addresses made available by the applicant exporter/importer and applicant association and requested them to make their views known in writing within the prescribed time limit.
  - d. The Authority provided a copy of the non-confidential version of the applications to the domestic industry, known producers/exporters and to the Government of the subject country, through its Embassy in India, in accordance with Rule 6(3) of the

Anti-Dumping Rules. A copy of the non-confidential version of the application was made available to other interested parties, wherever requested.

- e. The Authority sent exporter's questionnaire to the following known producers/exporters to elicit relevant information in accordance with Rule 6(4) of the Rules:
  - i. Changle Keyuan Paper Company Limited
  - ii. Hangzhou Huawon New Material Technology Company Limited
  - iii. Kingdecor (Zhejiang) Co., Ltd.
  - iv. Qifeng New Material Ltd.
  - v. Shandong Boxing Ouhua Special Paper Co., Ltd.
  - vi. Xianhe Co., Ltd.
  - vii. Zhejiang Xianhe New Materials Sales Co., Ltd.
  - viii. Zibo OU-MU Special Paper Co., Ltd.
- f. The Embassy of the subject country in India was requested to advise the exporters/producers from China PR to respond to the questionnaire within the prescribed time limit.
- g. In response to the initiation of the subject investigation, the following producers/exporters from the subject country have responded by filing questionnaire response:
  - i. Changle Keyuan Paper Company Limited
  - ii. Hangzhou Huawon New Material Technology Company Limited
  - iii. Kingdecor (Zhejiang) Co., Ltd.
  - iv. Shandong Boxing Ouhua Special Paper Co., Ltd.
  - v. Winbon Technocell New Materials., Co., Ltd.
  - vi. Zibo OU-MU Special Paper Co., Ltd.
- h. The Authority sent Importer's Questionnaire to the following known importers / users of the subject goods in India calling for necessary information in accordance with Rule 6(4) of the Rules.
  - i. Aica Laminates India Private Limited
  - ii. Century Plyboards Limited
  - iii. Color Experts
  - iv. Deco Mica Limited
  - v. Fakirsons Papchem Private Limited
  - vi. Fancy Roto Prints
  - vii. Greenlam Industries Limited
  - viii. JKS Decor Paper LLP
  - ix. Maruti Decor
  - x. Maruti Paper Chern
  - xi. Match Graphics Private Limited
  - xii. Matchwell
  - xiii. Mbee Paper Prints Private Limited
  - xiv. Merino Industries Limited
  - xv. Microteck Printage Private Limited
  - xvi. Pixel Printers

- xvii. Printech Industries
  - xviii. Sanwaliya Impex LLP
  - xix. Saraf Sales Corporation
  - xx. Saya Paper Print Private Limited
  - xxi. Shindecor
  - xxii. Shivam Paper Print
  - xxiii. Silver Paper Print
  - xxiv. Slick Mica Private Limited
  - xxv. Stylam Industries Limited
  - xxvi. Surface Dekor Private Limited
  - xxvii. Tanish Industries Private Limited
  - xxviii. Unique Decor (India) Private Limited
  - xxix. Vinayak Decor Vision Printers
- i. In response to the initiation of the subject investigation notification, following importers/users from the subject countries have responded by filing questionnaire response:
- a. Thansau Decors Private Limited
  - b. Fakirsons Papchem Private Limited
  - c. Century Plyboards Limited
  - d. Sidmark Sales Synergy LLP
  - e. Merino Industries Limited
- j. Request was made to the Directorate General of Systems to provide the transaction-wise details of imports of subject goods for the injury period and also the period of investigation. The Authority has relied upon the DG system for computation of the volume of imports and required analysis after due examination of the transactions.
- k. The period of investigation (POI) for the purpose of present investigation is 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024 (12 months). The examination of trends in the context of injury analysis covered the periods 2020-21, 2021-22, 2022-23 and the period of investigation.
- l. In accordance with Rule 6(6) of the Anti-Dumping Rules, the Authority provided an opportunity to the interested parties to present their views orally regarding the subject investigation through a public hearing held in hybrid mode on 19<sup>th</sup> November 2024. The interested parties who presented their views in the oral hearing were requested to file written submissions of the views expressed orally, followed by rejoinder submissions, if any.
- m. The submissions made by the interested parties during the course of this investigation, to the extent supported with evidence and considered relevant to the present investigation, have been appropriately considered by the Authority.
- n. The Authority made available non-confidential version of the evidence presented by various interested parties. A list of all 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.
- o. The Authority circulated the disclosure statement containing all essential facts under consideration for making the final recommendations to the Central

Government to all interested parties on 12 March 2025. The Authority has examined all the post-disclosure comments made by the interested parties in these final findings to the extent deemed relevant. Any submission which was merely a reproduction of the previous submission and which had been adequately examined by the Authority has not been repeated for the sake of brevity.

- p. Information provided by the interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claim. On being satisfied, the Authority has accepted the confidentiality claims wherever warranted and such information has been considered as confidential and not disclosed to 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.
- q. 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 considered such parties as non-cooperative and recorded the views/observations on the basis of the facts available.
- r. '\*\*\*\*' in this final findings represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
- s. The exchange rate adopted by the Authority for the subject investigation is 1 US\$ = ₹ 83.69.

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

- 7. The product under consideration as defined in the original investigation and the initiation notification for the present investigation is as follow:

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

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

*The product under consideration is classified under the Chapter 48 of the Customs Tariff Act, 1975 (51 of 1975) under the tariff customs classification 48059100. The Authority in the original finding has also considered the product under consideration which is being imported under tariff customs classification 48022090. Both the customs classifications have been considered for the present investigation. However, the customs classification is only indicative and is not binding on the scope of the product under consideration.”*

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

8. The submissions of the other interested parties with regard to product under consideration and like article are as follows:
  - i. As opposed to the submissions of the domestic industry, there is no need to alter the parameters used in the PCN methodology in the original investigation as the same covers all types of decor paper.
  - ii. Since the intention was to exclude printed decor paper from the product scope in the absence of production by the domestic industry, whether such paper is ready to use or not is immaterial.
  - iii. Since all papers, included printed paper have to undergo certain impregnation process to be used on laminations, the use of the term “ready-to-use” creates a technical qualification, causing issues at the time of clearance of the product.
  - iv. Due to use of the expression “ready-to-use”, anti-dumping duty has been extended to printed paper imported under Customs heading 4811. The heading 4811 does not distinguish between printed paper whether or not ready to use, therefore, such qualification should not have been added.
  - v. In a recent order, Commissioner Appeal, Customs – Kolkata held that once decor paper is printed, it is ready to use, and thus, imports thereof is not subject to anti-dumping duty. However, it did not give a ruling on this aspect, leaving it open for interpretation.
  - vi. Since there is a provision for a separate investigation in case of circumvention, the fear of circumvention should not lead to expansion of product scope by using the phrase “ready-to-use”.

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

9. The submissions of the domestic industry with regard to product under consideration and like article are as follows:
  - i. The product for which exclusion has been requested is printed ready-to-use paper, which is already excluded from the scope of the product under consideration. The petition filed by the other interested parties only requires a clarification regarding the excluded product.
  - ii. There is no need for change in the definition of the product under consideration as any change is likely to lead to circumvention of the anti-dumping duty in force.

- iii. Contrary to the submissions of the other interested parties, the product scope has to be defined in a manner to preclude the possibility of circumvention as held by the CESTAT in Huawei Technologies Co. Ltd. V. Designated Authority.
- iv. Printed ready-to-use paper falls under Customs heading 4811, on which the Authority did not recommend anti-dumping duty, and which does not attract any anti-dumping duty.
- v. As opposed to the submissions of the other interested parties, the term “ready-to-use” is not hampering imports of printed decor paper, since the product itself falls under a different Customs heading.
- vi. Substantial quantity of printed ready-to-use decor paper is being imported under HS Code 4811, implying that other parties are able to clear the same, without any challenge. The issue faced by the applicant importers is only due to misdeclaration of imports.
- vii. As opposed to the submissions made by the other interested parties, the word “ready to use” does not lead to inclusion of HS Code 4811, as the anti-dumping duty is applicable on the product scope, as notified, when imported under the Customs classification, as notified.
- viii. Since the issue raised by the other interested parties is concerning implementation of the duty order, the DGTR is not the correct Authority to clarify the same. The importers should approach the relevant Customs authority to redress the issues raised by them.
- ix. The issue has been well-addressed by the customs authorities, as it has already been held by Commissioner Appeals that printed ready-to-use paper imported under HS Code 4811 is excluded from the scope of the product under consideration.
- x. The members of the applicant association were also interested parties in the original investigation and the Authority provided ample opportunity to all the parties to provide comments on the product scope. However, no such submissions were made by the importers.
- xi. The submissions made by the other interested parties with regard to PCN is contrary in nature. The exporter itself has submitted that the product mix has changed, it has moved up in the value chain and the consumer preference has changed. This necessitates change in PCNs.
- xii. Contrary to the submissions made by the other interested parties, there is no bar on defining the product under consideration or exclusions from the product under consideration in a way not defined in the HS Codes.

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

10. The Authority notes that the domestic industry is a producer of subject goods which are known as decorative base paper, decorative paper for high-pressure or low-pressure laminates, coating base paper and print base paper. During the original anti-dumping investigation, the domestic industry had submitted that it does not produce printed ready-to-use decor papers and thus, such papers were excluded from the scope of the product under consideration.

11. The Authority further notes, that the anti-dumping duty has been imposed on imports of product under consideration when imported under HS codes 48022090 and 48059100 only.
12. The applicant association and its members have requested clarification on scope of the product under consideration. The importers have stated that the domestic industry does not manufacture printed decor paper and the same should be excluded from the scope of the product under consideration. The Authority notes that printed ready-to-use decor paper is already excluded from the scope of the product under consideration. The request to change the description of the product scope and the request to remove the words "ready-to-use" from the product description has been examined in detail below.
13. The Authority notes that the anti-dumping duty imposed on imports of subject goods from the subject country has been imposed on HS Codes 4802 20 90 and 4805 91 00 only. Printed decor paper does not fall in the said HS Codes but falls under the heading 4811. The Authority has not recommended imposition of anti-dumping duty on imports under the said heading. The Notification issued by the Ministry of Finance also does not impose anti-dumping duty on such heading.
14. The Authority notes that the precise product description is important to ensure that while the objective of trade remedial action is effectively met, it has no unintended consequences for other products which are not subject to anti-dumping duty. The Authority notes that the scope of the product under consideration should not be ambiguous so as to leave the definition open to interpretation and cause undue burden to the importers of the products which are not subject to the anti-dumping duty. It is undisputed that the domestic industry is not aggrieved by imports of printed decor paper. There are no contentions that it is a like or interchangeable product to the product under consideration. The domestic industry has not offered any justification as to why "ready to use" phrase is necessary. The phrase can be interpreted in a subjective manner and does not add any value to the preciseness of the exclusion. As determination of scope of product under consideration is an important foundation on which the anti-dumping proceedings are initiated and anti-dumping duty is levied, the Authority notes that it is necessary for the Authority to provide a clarification on the same.
15. In the interest of equity, the Authority, therefore, finds it appropriate to clarify that imports of printed decor paper under heading 4811 are expressly excluded from the scope for product under consideration for levy of anti-dumping duty. Hence, the Authority drops the word "ready-to-use" from the scope of the product under consideration. The following definition shall be applicable.

*"The product under consideration is "uncoated paper in reel form of 40-130GSM, having klemm absorbency of at least 12 mm per 10 minutes, wet tensile strength of 6-12 N/15 mm, and gurley porosity of 10-40 sec / 100 ml, containing titanium dioxide or pigments*

*as filler" (herein also referred to as "Decor paper" or "subject goods"). It is a base paper for high pressure (HPL) or low-pressure (LPL) decorative laminates, also known as decorative base paper, decorative paper for high-pressure or low-pressure laminates, coating base paper and print base paper, but excluding printed decor paper classifiable under 4811."*

16. With regard to change in PCN, the Authority has not received comments within the given timelines from any interested party, including the domestic industry for the present investigation. Hence, the PCN methodology adopted in the original investigation has been considered for the present mid-term review.

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

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

17. No submissions have been made by the applicants or other interested parties regarding the scope of the domestic industry and standing.

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

18. The submissions of the domestic industry with regard to the scope of domestic industry and standing are as follows:
- i. There are three producers of subject goods in India namely, ITC Limited, Pudumjee Paper Products and Shree Krishna Papers.
  - ii. ITC Limited accounts for major proportion of Indian production and constitutes domestic industry.

**D.3 Examination by the Authority**

19. Rule 2(b) of the Anti-Dumping Rules defines 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' may be construed as referring to the rest of the producers".*

20. The Authority concludes that ITC Limited accounts for major proportion of domestic production in India and is not related to any exporter or importer of the subject goods in India. Further, ITC Limited has not imported the subject goods in India during the period of investigation. Thus, ITC Limited constitutes the domestic industry as defined under Rule 2(b) of the Anti-Dumping rules.

**E. CONFIDENTIALITY**

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

21. The other interested parties have not made any submissions with regard to the confidentiality claimed by the domestic industry.

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

22. The domestic industry has made the following submissions with regard to the confidentiality claimed by the other interested parties.

- i. The questionnaire response filed by other interested parties suffer from various violations of Rule 7 of the Anti-Dumping Rules.
- ii. The exporters/producers have claimed the names of the products sold by them confidential without providing a justification. Kingdecor has even claimed its brochure confidential.
- iii. Winbon has not disclosed the product type (PCN) exported by it to India, production facilities, affiliations and shareholder information.
- iv. Huawang and Sidmark have claimed channel of distribution confidential in entirety.
- v. The producers/exporters have claimed Appendix-1 confidential in entirety.
- vi. Winbon, Huawang and Changle have failed to provide methodology used for reporting expenses claimed as adjustment for fair comparison.
- vii. Kingdecor, Changle, Shandong and Zibo have claimed all information regarding company affiliations and shareholders confidential.
- viii. Changle, Shandong and Zibo have claimed production process confidential.
- ix. Kingdecor has claimed list of raw material used confidential.
- x. Kingdecor has claimed the entire set of information in the response confidential, due to which the domestic industry is unable to understand even the nature of information submitted.

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

23. 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).

24. With regard to confidentiality of information, Rule 7 of Anti-dumping Rules provide as follows:

*“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 parties providing information on confidential basis to furnish non-confidential 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 summarization 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 authorise its disclosure in a generalized or summary form, it may disregard such information."*

25. The information provided by the interested parties on a 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 a confidential basis were directed to provide sufficient non-confidential version of the information filed on confidential basis.

## **F. SCOPE OF THE PRESENT MID-TERM REVIEW**

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

26. The other interested parties have made the following submissions on the scope of the mid-term review.
- i. The initiation of comprehensive review is apt as (a) the issues highlighted for re-determination of margins are applicable to all producers, (b) the duty has been in force for a considerable period of time and (c) the situation of domestic industry has improved. The judgement in Haryana Vidut, Prasaram Nigam Limited V. Gulshan Lal is not applicable as there is an obligation on the Authority to review the need for continued imposition of duty. The right of domestic industry has not been affected as the Authority has an option to extend the revised duty for a period of 5 years.
  - ii. There has been significant change in the cost and price of basic raw material and other factors of production after imposition of anti-dumping duty. This has led to a change in product mix.
  - iii. The Authority is required to ensure that the anti-dumping duty does not exceed the margin of dumping and injury at any point of time. The requirement of changes of lasting nature applies only in cases of revocation of duty, and not for re-quantification of duty.

- iv. There has been an increase in pulp cost by 20-30% and cost of other key inputs such as titanium, kaolin, energy and labour, leading to increase in cost of production of subject goods of about 15-30%, post imposition of duty.
- v. Cost and price of basic raw material and other inputs have increased significantly in the global market, including for ITC. These trends are of lasting nature and likely to continue.
- vi. There has been shift in imports towards high priced and quality product indicating shift in consumer preference, which is of a lasting nature.
- vii. The Authority should not have initiated a full mid-term review since the applicants and the domestic industry have not requested for redetermination of margins for all producers / exporters from China.
- viii. As per Rule 23, anti-dumping duty cannot be enhanced pursuant to an anti-dumping investigation. The Authority may accept or reject the claims of the applicants. Since none of the applicants have requested enhancement of anti-dumping duty, there is no possibility of increasing the duty in force.
- ix. Duty in the current investigation should either be maintained or reduced but cannot be enhanced. The domestic industry has not even requested for enhancement of anti-dumping duty.
- x. Changle did not export the subject goods to India during the original period of investigation, and should be granted individual duty based on response filed in present investigation.
- xi. Kingdecor has filed a complete response in the present investigation and it should be granted individual margin based on the information submitted.
- xii. Winbon Technocell is a new producer and exports only high-end products to all countries including India at undumped prices.
- xiii. Due to change in product mix and cost and prices of the subject goods, there is a need for re-quantification of anti-dumping duty applicable on Hangzhou Huawang.

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

27. The domestic industry has made the following miscellaneous submissions
  - i. Since the scope of the present investigation is much wider than the application filed and the relief sought by the applicants, the present mid-term review should be terminated.
  - ii. Since the present review is not a sou moto review and has been initiated based on application filed by exporters and importers, the scope of the present investigation should be restricted to the relief sought. Further, there are no grounds or factors justifying sou moto review in the present investigation.
  - iii. There was no positive evidence provided by the applicants which justify initiation of a comprehensive review.
  - iv. The exporter has not established how the changes stated justify a review, especially as the dumping margin would not have changed in light of the changes identified.
  - v. As opposed to the submissions made by the interested parties, there is no provision or jurisprudence to state that anti-dumping duty should not exceed dumping margin

- or injury margin, at any point of time. No investigating authority barring the USA, conducts repeated review of the anti-dumping duty to ensure that the quantum does not exceed present dumping.
- vi. The factors identified by the exporters for re-quantification of margins cannot be considered to be changes of lasting nature, warranting re-quantification of duty.
  - vii. Fluctuation in cost of raw material is a routine business scenario since the prices of pulp tend to fluctuate globally. In fact, pulp prices have declined post the period of investigation. Such change cannot be considered that of lasting nature.
  - viii. There is no evidence that the consumer preference has changed in India towards higher priced product warranting re-quantification of anti-dumping duty.
  - ix. The change in product mix and increase in exports of high-priced product is a consequence of fixed form of duty which makes lower priced products more unviable. This cannot be considered a ground for re-quantification of duty.
  - x. Increase in cost and price of subject goods cannot be a ground for re-quantification of duties as such increase implies increase in non-injurious price, landed price, constructed normal value and export price and consequently has no impact on the quantum of duty.
  - xi. Conducting a mid-term review for change in product mix and change in cost and price of subject goods would lead to a never-ending cycle of reviews.
  - xii. As opposed to the submissions by the other interested parties, Rule 23 allows the Authority to re-quantify the duties, which includes enhancement of duties. The Authority has enhanced anti-dumping duty in previous investigations, even when the application was filed for removal of duties.
  - xiii. There is a possibility of manipulation of prices by the applicant exporter in order to attain a lower dumping margin. The volume of exports by such exporter is quite low as compared to demand in India and the sales have been made to sole selling agent in India. There is a possibility that the exporter and importer have colluded to price product at higher prices for a short duration.
  - xiv. The applicant exporter has sold small volumes to other importers at prices much below the prices to the applicant importer. Due to this there is doubt on the bona fide transactions between the applicant producer and applicant importer.
  - xv. In case, the Authority continues a comprehensive review, the duties should be recommended to continue for a further period of 5 years. This is in line with the Manual of Operating Practices.
  - xvi. There is a need to check the volume of imports from Changle as compared to volume of imports from other producers. If such volume is not significant, it leaves scope for manipulation of prices for obtaining lower margin.
  - xvii. The requirements of a new-shipper review should not be by-passed in the present investigation. The exports made by producers which did not export in original period of investigation, should be in commercial quantities for granting individual margins.
  - xviii. The product profile of the exporter and the volume of exports of different product types must be sufficient to grant individual anti-dumping duty.

- xix. The related party of Kingdecor which is a producer of product under consideration has not participated in the present investigation.
- xx. Kingdecor has filed misleading declaration as its related party has exported the subject goods to India during the period of investigation and post period of investigation. Such goods have been cleared under the anti-dumping duty applicable for Kingdecor, even though such goods were not manufactured by it.
- xxi. While Kingdecor claimed that the related party Xianhe, is not a manufacturer of subject goods, it is evident from the decision of the Commissioner of Customs that the Xianhe is a producer of the product under consideration.
- xxii. Individual duties given to Kingdecor should be withdrawn as it suppressed essential information in the original anti-dumping investigation and provided misleading information.
- xxiii. Change in cost and prices of the product under consideration does not lead to change in dumping margin as the same impacts export price, constructed normal value, landed price and non-injurious price.

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

- 28. The Authority notes that the scope of the mid-term review is different from original investigations and sunset reviews. In a mid-term review, the Authority is required to investigate and determine the need for the continued imposition of an anti-dumping duty in force, where warranted, on its own initiative or upon request by any interested party which submits positive information substantiating the need for such a review, after elapse of reasonable period of time since the imposition of the definitive anti-dumping duty. Further, the Designated Authority is required to determine whether injury to the domestic industry is not likely to continue or recur, if the anti-dumping duty in force is removed or varied. If the Authority comes to a conclusion that the anti-dumping in force is no longer warranted, the Authority shall recommend to the Central Government for its withdrawal.
- 29. The Authority has previously noted as follows with regard to the scope of a mid-term review in 4,4 Diamino Stilbene 2, 2 Disulphonic Acid (DASDA), originating in or exported from China PR.

*“The language of the rules concerning sunset review and midterm review has been deliberately kept different so as to emphasize more on the cautiousness of establishing the need for withdrawal. The emphasis on word “not” likely in Rule 23 (1A) of AD Rules, signifies a higher and stringent obligation while examining premature withdrawal of antidumping duty.”*

- 30. The Authority notes that the present review has been initiated based on allegation of change in circumstances by the applicant exporter/importer. The applicant has alleged that there has been a change in the product mix being exported to India and the cost and price of the subject goods has changed which justify re-quantification of duties. No

evidence has been submitted by the applicant exporter that the parameters identified are unique and applicable to the said exporter only. The Authority notes that since the parameters identified are applicable to all exporters in the subject country and not limited to only the applicant exporter, the Authority had initiated a comprehensive review.

31. The Authority notes that at the time of initiation, the applicant exporter/importer provided evidence with regard to an increase in cost of basic raw material, that is, pulp as well as increase in price of other inputs including titanium dioxide as well as kaolin. The applicant exporter/importer submitted that due to increase in the cost of raw material and inputs, the cost of production of the product under consideration increased. Further, it is submitted that the domestic industry has its own pulp and thus, the cost of production of the applicant did not increase necessitating re-quantification of anti-dumping duty. Based on the prima facie evidence, the Authority initiated the mid-term review. Further, based on the nature of contention, the Authority considered it appropriate to initiate a comprehensive review.
32. The Authority has considered all submissions made in the present mid-term review. The Authority notes that the domestic industry has submitted its financial & cost data which demonstrates as shown in the table below, that the cost of raw material has increased for the domestic industry as well. Thus, the Authority notes that the submission made at the time of initiation that the increase in cost of raw material is not applicable to the domestic industry, is factually incorrect.

SN	Raw Material	Price		Difference	
		Original investigation	Current investigation		
		₹/MT	₹/MT	₹/MT	%
1	Pulp-Import	***	***	***	***
2	Pulp-Captive	***	***	***	***
3	Chemicals	***	***	***	***
4	Broke	***	***	(***)	(***)
5	Total RM cost			***	22%

33. The Authority further notes that the total cost of raw material for the domestic industry has also increased in the present period of investigation as compared to the original period of investigation. Hence, the Authority concludes that the domestic industry has also been impacted due to increase in raw material costs.
34. With regard to the submissions that the export price to India has increased, the Authority notes that the weighted average landed price has increased less than the increase in weighted average cost of raw material of the domestic industry. While the weighted

average cost of raw material has increased by 23%, the weighted average landed price of imports from China increased by 22%.

PCN code	Volume as per DG System	Cost of Raw Material			
		Original investigation	Present investigation	Difference in	Difference in
		₹/MT	₹/MT	₹/MT	%
1C1	53	***	***	***	***
1C2	52	***	***	***	***
1U2	0	***	***	***	***
2C1	699	***	***	***	***
2C2	12,341	***	***	***	***
2U1	14,328	***	***	***	***
2U2	10,128	***	***	***	***
3C1	4,050	***	***	***	***
3C2	400	***	***	***	***
3U1	11,462	***	***	***	***
3U2	2,799	***	***	***	***
Difference*				***	23%

\*Weighted average

Particulars	UoM	Value
Weighted average landed price in original POI	₹/MT	128,817
Weighted average landed price in current POI	₹/MT	158,055
Increase in landed price for the applicant exporter	₹/MT	***
Increase in weighted average landed price of imports	₹/MT	29,238
Weighted Average Increase in Landed price	%	22.69%

35. Further, the Authority notes that the landed price of the applicant exporter has increased even less than the increase in landed price from China PR.

PCN code	Hangzhou Huawang New Material Technology Co.,Ltd				
	Original Investigation		Current Investigation		Difference in Present and Original
	Volume	Landed Price	Volume	Landed Price	
	MT	₹/MT	MT	₹/MT	₹/MT
1C1	***	***	***	***	***
1C2	***	***	***	***	***

1U2	***	***	***	***	***
2C1	***	***	***	***	***
2C2	***	***	***	***	***
2U1	***	***	***	***	***
2U2	***	***	***	***	***
3C1	***	***	***	***	***
3C2	***	***	***	***	***
3U1	***	***	***	***	***
3U2	***	***	***	***	***
Total (weighted average)	***	***	***	***	***

36. The Authority further notes that while the applicant exporter had relied upon the fact that the domestic industry has captive pulp consumption due to which it did not face increase in cost of production. Post verification of the information, it is noted that the domestic industry has used only 10-20% of captively produced pulp and has imported 80-90% of pulp for production of the subject goods during the period of investigation. Thus, the domestic industry has also been impacted by the increase in price of pulp.
37. Thus, the Authority concludes that the ground that the export price has increased in India does not establish a need for re-determination of dumping margin and injury margin. It is seen that even cost of production has increased because of increase in the raw material costs. It is also noted that the applicants or other interested parties have not identified any factor that has unilaterally changed only the export price, without impacting the normal value. It is therefore not established that the circumstances have materially changed compared to the POI of the original investigations. Further, it is not established that change in the circumstances are of lasting nature. Hence, there is no requirement to re-determine the margins for the applicant exporter.
38. The Authority further notes that mere change in cost and price of the product under consideration cannot be considered as change in circumstances warranting modification of measures. Cost and price may change depending upon market situation. What is material is whether the changes are lasting in nature, therefore warranting modification of measures. The Authority further notes that as per data on record, the pulp prices increased in the period of investigation but declined thereafter in the post POI. Thus, the nature of the product is such that there is fluctuation in raw material prices.
39. The Authority, based on the analysis hereinabove, found that the ground for initiation of mid-term review that the cost of production and export price has increased without commensurate increase in cost of the domestic industry, is not established.

40. The applicant exporter/importer also alleged that the product mix has changed which warrants re-determination of margins. The Authority notes that in the original anti-dumping investigation, the Authority formed PCNs. The Authority has analysed the PCNs sold in the original investigation and compared the same to the present investigation. It is noted that the PCNs imported in the original investigation are also being imported in the present investigation. Further, the PCN which were significant in quantity continue to remain in significant quantity in the present period also. Thus, the pattern of export has not undergone material change which can justify re-determination of dumping margin and injury margin, and modification of the measures. The investigation has shown that the ground made in the application that the product mix has changed, identified at the time of initiation, is not established.

PCN code	Import Volumes	
	As per Original Investigation	As per Current Investigation
	MT	MT
1C1	-	53
1C2	326	52
1U2	-	-
2C1	1,107	699
2C2	10,091	12,341
2U1	4,278	14,328
2U2	2,378	10,128
3C1	2,634	4,050
3C2	372	400
3U1	2,902	11,462
3U2	401	2,799

41. The Authority holds that the applicant is required to establish a change in circumstances to such an extent that the basis on which the duty was imposed has altered so materially that the injury to the domestic industry is not likely to continue or recur if the anti-dumping duty in force is removed or varied. In light of submissions made by all the interested parties in the present investigation, and considering the facts established during the course of the present investigation on the basis of information and positive evidence on record, the Authority concludes that the grounds identified as change in circumstances do not exist. The investigation has shown that the interested parties have not established that the injury to the domestic industry is not likely to continue or recur, if the existing anti-dumping duty is removed or varied. It is not established that the ADD is no longer warranted.
42. The Authority further notes that the other interested parties have submitted that Kingdecor consistently supplied goods manufactured by Xianhe Co. Ltd., a related entity, while falsely representing Xianhe as merely a trader. Kingdecor declared these goods as its produce to evade the anti-dumping duty imposed on the subject goods. It has been

observed that Kingdecor has also exported goods produced in a factory no 158, Tongjiang Road, Shenjia Development Zone, Quzhou City, Zhejiang 324022, China. However, the same was never reported as a manufacturing/production unit by Kingdecor both in the original investigation as well as the MTR investigation.

43. Upon inquiry regarding these two plants, the exporter submitted that its first production line, identified as Line No. 13, was installed in 2006 at No. 158 Tongjiang Road, Shenjia Economic Development Zone, Quzhou City, Zhejiang Province. In October 2011, the company expanded its operations to the current official/registered address at No. 20, South Tianhu Road, Quzhou City, Zhejiang Province. Kingdecor also stated that its business license includes only one official/registered address—No. 20, South Tianhu Road. Based on this, Kingdecor claimed that it reported only the official address while filing the EQR. Further the exporter admitted that during the POI it has exported PUC produced from both the plants.
44. However, it is evident from the Exporter Questionnaire Response requirements that such disclosure is insufficient and amounts to material suppression of facts. Points 3 and 4 of the General Section of the EQR are reproduced below for reference:

*“3. List the complete address of your main corporate office and your office in India, if any. Provide their telephone, fax numbers, and e-mail address. State the name, address, telephone, fax numbers, and e-mail address of the principal contact person (or representative/legal representative in India or elsewhere for the purpose of anti-dumping proceedings).*

*4. List the factories involved in the production of the product under investigation, with complete address, telephone and fax numbers, and e-mail address.”*

45. These requirements clearly mandate that exporters must disclose not only the corporate office address but also the complete details of all factories involved in the production of the product under consideration. Information with regard to all manufacturing facilities is very critical information, as the Authority is required to know complete information on production and sale of goods by the company under investigation. Additionally, Appendix-7 of the EQR requires expenses and cost information to be reported separately for each plant/unit producing the PUC. This issue raises serious doubt about the authenticity of the information submitted by Kingdecor.
46. The Authority also notes that Kingdecor failed to disclose its business relationship with Shah International Services, an Indian entity involved in marketing its products. Upon questioned, Kingdecor admitted to the business relationship, submitting the following explanation:

*As explained above, Kingdecor has only one unrelated Indenting agent namely Shah International Services in Indian market. As per the requirement of Indian buyers, Shah places orders to Kingdecor and after supply of the*

*goods by Kingdecor to the Indian buyers, it gets a commission @2% on the sale value of the goods.*

*The commission along with rebate (if any) paid during the POI of the original investigation as well as in the present MTR investigation by the Company has been duly reported in Appendix 7 of the EQR submitted by Kingdecor under the head "Direct Selling Expenses", titled as "Commission on Sales" for Company as a whole, PUC as well as Non-PUC as and where applicable, since there is no such direction of filing the same in any other appendices including Appendix-3A.*

47. Further, as per the copy of the agreement provided by Kingdecor, it has entered into a written agreement (dated 1<sup>st</sup> January, 2019) with Shah International Services appointing the latter as commercial representative in India. The agreement is effective from 1<sup>st</sup> January 2019 and negotiated for an indefinite period. However, Kingdecor failed to report this vital business relationship and the adjustment of commission paid to determine the ex-factory export price, constituting suppression of material information.
48. On 11<sup>th</sup> October 2024, the Authority issued two supplementary questionnaires to the concerned exporters, stipulating a deadline of 18<sup>th</sup> October 2024 for submission of responses. Kingdecor submitted a request seeking an extension of seven (7) days, i.e., until 25<sup>th</sup> October 2024. However, no response has been received from Kingdecor to date with respect to the said questionnaires. Supplementary Questionnaires contain significant information for the determination of dumping margin and injury margin.
49. Kingdecor also failed to get its information verified, to substantiate the accuracy of the information furnished. The Authority, vide email dated 18<sup>th</sup> October 2024, directed Kingdecor to furnish the requisite verification documents by 25<sup>th</sup> October 2024. The said communication explicitly instructed Kingdecor to provide an explanation elucidating the correlation between the commercial invoice and other relevant supporting documents. It has been observed that Kingdecor has failed to adhere to these instructions, as no explanation has been provided to establish the correlation between the commercial invoice and the accompanying documents.
50. Furthermore, Kingdecor has submitted a document titled "Appendices-Kingdecor (Zhejiang) Co. Ltd Appendix 3A-recorrection," along with verification documents representing a revised version of Appendix 3A originally submitted with its Exporter's Questionnaire Response (EQR). However, neither the covering email nor the revised Appendix 3A contains any clarification or justification regarding the reasons for such revision. It is seen that modifications pertaining to adjustments in the export price to India have been made in the revised document, which amounts to a material change in the questionnaire response without any intimation, clarification or justification. Additionally, bank charges, which were not disclosed in the original EQR, have now been reported in the revised submission without any explanatory note or corroborating evidence to

substantiate this amendment. These discrepancies cast doubt on the completeness, accuracy, and reliability of the data furnished by Kingdecor. The Authority notes that the exporter has on its own revised the questionnaire response and that too without any intimation, clarification or justification, thus rendering the original questionnaire response redundant. The absence of justifications for material revisions and the failure to comply with explicit instructions has adversely impacted the credibility of the information submitted in the context of the ongoing investigation.

51. In view of the foregoing, it is evident that Kingdecor (Zhejiang) Co. Ltd. has not cooperated fully with the present investigation. Further, the producer also suppressed material information in the original investigation, based on which the Authority granted Kingdecor individual duties. The suppression of material information in original as well as present investigation, failure to submit requisite documents, inconsistent disclosures, and non-compliance with specific instructions constitute non-cooperation under Rule 6(8) of the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (Anti-Dumping Rules). The Authority has changed the quantum of anti-dumping duty imposed on imports from Kingdecor and the producer shall be subjected to residual duties.
52. The Authority notes, based on the analysis above, that the matter does not warrant re-quantification of individual margins of the applicant exporter or any other producer from China, barring Kingdecor (Zhejiang) Co. Ltd.

## **G. POST DISCLOSURE COMMENTS**

### **G.1. Submissions by other interested parties**

53. The other interested parties have made the following submissions post issuance of the disclosure statement:
  - i. Due to changes in cost structures, product mix, and market conditions, a re-quantification of anti-dumping duty is warranted.
  - ii. The cost of raw materials and inputs has significantly changed and has affected the competitiveness of the exporter.
  - iii. Authority's observation that there has been no material change in circumstances is improper.
  - iv. The methodology used for determining injury and dumping margin needs to be reconsidered.
  - v. A revised disclosure statement should be issued to incorporate the comments before issuing final findings.
  - vi. A clearer definition of the Product Under Consideration (PUC) be given and the words "excluding printed ready-to-use decor paper" be dropped.

- vii. The ambiguity in product classification has resulted in confusion and administrative difficulties at the time of import.
- viii. The domestic industry's concerns about circumvention are unfounded, as circumvention issues can be addressed through a separate investigation under Rule 25.
- ix. Winbon is a new producer/exporter that was not part of the original investigation and should be assigned a separate anti-dumping duty based on its own data.
- x. Kingdecor's misrepresentations have distorted the injury analysis and affected the fairness of the investigation.
- xi. The dumping margin calculations should consider high-value product sales separately.
- xii. Certain submissions by domestic industry and other exporters have been overly redacted.
- xiii. Kingdecor contests the Authority's conclusion that it was non-cooperative.
- xiv. It submitted all relevant information timely and explained its responses when prompted.
- xv. Kingdecor reiterated that No. 158 is not an independent unit, but a workshop under the same company and that all accounting, invoicing, and registration is conducted centrally from No. 20 Tianhu South Road.
- xvi. Kingdecor contends that disclosure of No. 158 was not mandatory as it was not a separate legal entity.
- xvii. Shah International Services, is a non-related indent agent operating in India and all commissions paid were disclosed under direct selling expenses in Appendix-7.
- xviii. Kingdecor clarified that both KD and XH series are produced by it and XH series was earlier used for low-end products, but prefix was removed post-July 2022 due to marketing strategy.
- xix. Kingdecor denied that Zhejiang Xianhe or Xianhe Co. Ltd. produced the XH-coded goods.
- xx. Kingdecor asserts that full product brochures and sample booklets showing KD and XH series were submitted.
- xxi. Kingdecor accepts delay in response but attributes it to confusion over the request and asserts that they made substantial submissions during the verification stage and that this should not lead to complete rejection of the response.
- xxii. It further submitted that the revised Appendix 3A was submitted to correct earlier inadvertent omissions and all changes were in line with accurate reporting requirements and not meant to mislead.
- xxiii. Kingdecor has requested that the Authority accept its questionnaire response and determine an individual anti-dumping duty margin based on verified data.

## **G.2. Submissions by domestic industry**

54. The domestic industry has made the following submissions post-issuance of the disclosure statement:

- i. The words "ready-to-use" were added to avoid circumvention of the anti-dumping duty imposed on the product under consideration.
- ii. In case, the Authority decides to change the quantum of anti-dumping duty and examine all parameters as per a comprehensive review, then the domestic industry requests that the duties should be continued for a further period of five years post the review.
- iii. Kingdecor has suppressed material information and should be subjected to residual duties.

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

55. The Authority has examined the post disclosure submissions made by the domestic industry and the other interested parties and notes that a number of submissions are reiterations which have already been examined suitably and addressed adequately in the relevant paras of the final findings. The issues raised for the first time in the post-disclosure comments/submissions by the interested parties and the domestic industry and considered relevant by the Authority are examined below.
56. The Authority has already analyzed cost trends and found that raw material costs have increased for both domestic and exporting producers. The weighted average landed price of imports has increased a little less than raw material costs, making re-quantification unnecessary. Further, an increase in the import price lower than the increase in raw materials costs would at best justify increase in the quantum of anti-dumping duty, whereas the present application is filed by an exporter/importer seeking reduction of anti-dumping duty. It is also noted that no concrete evidence has been submitted to demonstrate that the changes in costs are of a lasting nature that would materially impact the determination of anti-dumping duties. In response to disclosure statement also, there is no reference to any evidence which has been provided to incontrovertibly prove that there exist change in circumstances which are of lasting nature.
57. The Authority noted that the wording "ready to use" in "excluding printed *ready-to-use* decor paper" is subjective and militates against the preciseness which is crucial for defining the scope of product. As argued by some parties, the Authority agrees that it can create uncertainty in classification and implementation in some instances. As printed decor paper is already outside the scope of the product under consideration, the Authority considers that removing this phrase does not change the intent of the original definition and would remove any implementation difficulties that might be experienced by the importers. The Authority, therefore, recommends the deletion of the phrase "*ready-to-use*" to ensure clarity and ease in understanding.
58. The Authority acknowledges that there are new producers / exporters which were not exporting the product to India during the original period of investigation and have

participated in the present investigation. However, individual margins cannot be granted to the said producer / exporters pursuant to the present investigation. The present investigation was initiated in order to review the scope of the product under consideration and re-quantification of margins based on the change in circumstances alleged by the applicants. Since the grounds for re-quantification with regard to change in circumstances do not exist, the Authority has not determined the dumping margin and injury margin for any producer in the present investigation. The rules provide remedy to seeking individual dumping margin in case of new shippers, and the new producers / exporters may approach the Authority under the relevant Rules.

59. The Authority confirms that no re-quantification is required for any producer. The duty structure remains unchanged for these respondents except Kingdecor. Since no modifications to their duty are being made, a revised disclosure statement is unnecessary. Further, the comments received by all the interested parties post issuance of the disclosure statement have been incorporated in the present final findings.
60. The Authority notes Kingdecor's contention that it has submitted all required information. The Authority holds that the said producer has suppressed essential facts in the original as well as the present investigation.
61. The Authority notes that the exporter has stated that it had filed a response to the supplementary questionnaire. The said response was not received by the Authority. In any case, the Authority's conclusion in the present findings is not based on supplementary information desired by the Authority.
62. While Kingdecor has now acknowledged the existence of the facility at No. 158 Tongjiang Road, the same was neither disclosed in the original investigation nor in the questionnaire response filed in the present investigation. The Exporter Questionnaire clearly requires disclosure of all production facilities, regardless of legal separation. The DG System data demonstrates that invoices were issued from the said premises in the injury investigation period. The exporter admitted that subject goods are being produced and exported from the said plant. The Authority holds that failure to disclose this production site constitutes material suppression of fact.
63. Kingdecor's claim that Shah International Services is an unrelated agent is noted. However, the agreement dated 1<sup>st</sup> January 2019, submitted by Kingdecor itself shows that Shah International Services was appointed as a commercial representative in India with a commission structure. The Authority notes that this agreement was not disclosed in Kingdecor's response in the original or present investigation, and the commission paid was not reported in the relevant appendices for adjustments. This constitutes suppression of material information relevant to export price determination.

64. The Authority notes that Kingdecor submitted a revised response without any explanation, clarification, or supporting documentation. This revised submission introduced material changes in adjustments to export price and bank charges not disclosed earlier. The absence of any justification or correlation analysis severely affects the credibility of the information.
65. The Authority reaffirms that Kingdecor's conduct and suppression of vital facts amounts to non-cooperation within the meaning of Rule 6(8) of the Anti-Dumping Rules.

## **H. CONCLUSION & RECOMMENDATIONS**

66. After examining the submissions made by all the interested parties and issues raised therein; and considering the facts available on record, the Authority concludes that:
  - i. Printed decor paper is imported under the heading 4811 and has already been excluded from the scope of the product under consideration. The domestic industry does not manufacture printed decor paper.
  - ii. The phrase "ready-to-use" can be interpreted in a subjective manner and does not add any value to the preciseness of the exclusion. The said words are being dropped from the definition of the product under consideration.
  - iii. The application was filed for initiation of mid-term review based on the allegations of change in cost and price of the product under consideration and the product mix being exported to India by the applicant exporter.
  - iv. The domestic industry mainly uses imported pulp for manufacturing the subject goods. Since the pulp cost has increased, the cost of production of the domestic industry has also increased in the period of investigation as compared to the period of investigation in the original investigation. The allegation that the domestic industry did not witness an increase in the cost of production, as it uses captive produced pulp is not supported by facts.
  - v. The allegation that the product mix to India has changed is not established as the PCNs which were being imported during the original period of investigation are still being imported.
  - vi. The weighted average landed price of subject imports has increased less than the increase in weighted average cost of raw material of the domestic industry. Further, the Authority notes that the landed price of the applicant exporter has increased even less than the increase in landed price from China and the increase in cost of raw material of the domestic industry.
  - vii. The circumstances identified by the applicant exporter do not unilaterally impact the export price without impacting the normal value. Thus, there is no need for re-determination of margins based on the change in circumstances identified.
  - viii. It has neither been established that the change in circumstances is of a lasting nature nor the absence of likelihood of continuation or recurrence of the injury in case of cessation or modification of the anti-dumping duty.

- ix. Kingdecor has suppressed material information and is therefore treated as non-cooperative producer.
67. The Authority notes that the investigation was initiated and notified to all interested parties and adequate opportunity was given to the domestic industry, exporters, importers and other interested parties to provide positive information on the aspect of product under consideration, change in circumstances and need for re-quantification of margins. Having initiated and conducted the investigation in terms of the provisions laid down under the Anti-Dumping Rules, the Authority is of the view that there is no need for re-quantification of anti-dumping duty applicable to producers in China PR barring Kingdecor (Zhejiang) Co., Ltd.
68. In view of the foregoing, the Authority recommends withdrawal of individual duty imposed on imports from Kingdecor (Zhejiang) Co., Ltd. vide Final Findings Notification No. 6/38/2020-DGTR dated 28<sup>th</sup> September 2021 and Notification No. 77/2021 – Customs (ADD) dated 27<sup>th</sup> December 2021, as below. As regards other producers, the anti-dumping duty imposed earlier would continue.
69. The antidumping duties are in force for five years from the date of issuance of Notification No. 77/2021 – Customs (ADD) dated 27<sup>th</sup> December 2021. Accordingly, the definitive anti-dumping duties on the import of the subject goods, originating in or exported from China PR incorporating above recommendation of the Authority in the instant mid-term review investigation, shall be applicable for the remaining period of imposition of duty, as indicated in the duty table appended below.

S. no.	Tariff Item	Description*	Country of Origin	Country of Export	Producer	Amount	Unit	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	4805 9100, 4802 2090	Decor Paper	People's Republic of China	Any country, including People's Republic of China	Shandong Boxing Ouhua Special Paper Co., Ltd.	110	MT	USD
2	4805 9100, 4802 2090	Decor Paper	People's Republic of China	Any country, including People's Republic of China	Zibo OU-MU Special Paper Co., Ltd.	110	MT	USD
3	4805 9100, 4802 2090	Decor Paper	People's Republic of China	Any country, including People's	Hangzhou Huawang New Material	297	MT	USD

				Republic of China	Technology Co. Ltd.			
4	4805 9100, 4802 2090	Decor Paper	People's Republic of China	Any country, including People's Republic of China	Any other than at S.No. 1, 2 and 3	542	MT	USD
5	4805 9100, 4802 2090	Decor Paper	Any Country other than People's Republic of China	People's Republic of China	Any	542	MT	USD

*\*uncoated paper in reel form of 40-130GSM, having klemm absorbency of at least 12 mm per 10 minutes, wet tensile strength of 6-12 N/15 mm, and gurley porosity of 10-40 sec / 100 ml, containing titanium dioxide or pigments as filler. It is a base paper for high pressure (HPL) or low-pressure (LPL) decorative laminates, also known as decor paper, decorative base paper, decorative paper for high-pressure or low-pressure laminates, coating base paper and print base paper, but excluding printed decor paper classifiable under 4811.*

*The product under consideration includes various types of decor paper, such as surfacing paper (white/off-white), liner (white / off-white), barrier paper, shuttering base, overlay paper and print base paper (color / white) but excludes printed decor paper classifiable under 4811. It may be imported as base paper for waxing, coating and impregnation; base paper for printing; base paper for use in decorative industry and barrier paper, and may come in various sizes as 95 cm, 96 cm, 102 cm, 123 cm, 123.5 cm, 124 cm, 124.5 cm, 125 cm, 131 cm, 132 cm, 183 cm, 184 cm and 185 cm.*

#### **I. FURTHER PROCEDURE**

70. An appeal against the determination of the Designated Authority in these final findings shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the relevant provisions of the Act/Rules.

**Darpan Jain**

**(Designated Authority)**