CASE No. AD (OI) – 42/2024

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F. No. 6/45/2024-DGTR
Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Trade Remedies)
4th Floor, Jeevan Tara Building, Parliament Street, New Delhi – 110001

Dated: 25.09.2026

FINAL FINDINGS
CASE No. AD (OI) – 42/2024

Subject: Anti-dumping investigation concerning imports of "Wallpapers" originating in or exported from China PR.

A. BACKGROUND

1. **F. No. 6/45/2024-DGTR** – Having regard to the Customs Tariff Act, 1975, as amended from time to time (hereinafter also referred to as the "Act") and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 thereof, as amended from time to time (hereinafter also referred to as the "AD Rules" or the "Rules");
2. The Authority received an application filed on behalf of the domestic industry by Eximus Wallpapers Private Limited (hereinafter referred to as the "applicant", the "petitioner" or the "domestic industry") seeking initiation of an anti-dumping investigation concerning imports of Wallpapers (hereinafter referred to as the "product under consideration", "PUC" or "subject goods") originating in or exported from China PR (hereinafter referred to as the "subject country", with imports of the product under consideration from the subject country referred to as the "subject imports").
3. The Authority examined the application and found prima facie evidence that exports from the subject country were at dumped prices and that there was consequent injury to the domestic industry. Accordingly, pursuant to Rules 5 and 6 of the Rules, vide Notification F. No. 6/45/2024-DGTR dated 27th September 2025, the Authority initiated an investigation to examine the existence, degree and effect of any alleged dumping of the subject goods 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

4. The procedure described below has been followed with regard to the present investigation.

4.1 Initiation

i. In accordance with Rule 5(5), prior to initiation of the investigation, the Authority notified the Government of China PR through its Embassy in India about the receipt of the present anti-dumping application.

ii. As noted above, upon examination of the application, the Authority found prima facie evidence of dumping and consequent injury. Therefore, in accordance with Rules 5 and 6, vide Notification F. No. 6/45/2024-DGTR dated 27thSeptember 2025 ("Initiation Notification"), the Authority initiated the present proceedings.

4.2 Period of Investigation and Injury Period

i. As noted in the Initiation Notification, the period of investigation ("POI") adopted by the Authority is 1stApril 2024 to 31st March 2025 (12 months). The injury investigation period covers the periods 1stApril 2021 to 31st March 2022, 1stApril 2022 to 31stMarch 2023, 1st April 2023 to 31st March 2024 and the POI.

4.3 Import Data

i. A request was made to the Directorate General of Systems and Data Management ("DG Systems") for transaction-wise import data of the subject goods for the injury period and the period of investigation. The data was obtained for tariff items 4814 20 00 and 4814 90 00 for the period 1stApril 2021 to 10th August 2025 in respect of all countries. The Authority has relied upon the DG Systems data for computation of the volume of imports and the required analysis after due examination and classification of the transactions.

4.4 Circulation of non-confidential version of the application

i. The Authority provided a copy of the non-confidential version of the application to the known producers and exporters and to the Government of the subject country, through its Embassy in India, in accordance with Rule 6(3) of the Rules. A copy of the non-confidential version of the application was made available to other interested parties, wherever requested.

4.5 Participation by exporters of the subject country

i. The Authority sent the exporter's questionnaire to the known producers and exporters in accordance with Rule 6(4) of the Rules. The Authority also sent the questionnaires to the Government of the subject country through its Embassy in India, and requested that the Initiation Notification and the questionnaires be forwarded to the producers of the subject goods in China PR, advising them to respond within the prescribed time limit.

ii. The following producers and exporters from the subject country have registered themselves as interested parties and have filed an exporter's questionnaire response in these proceedings:

SN	Producer / Exporter
1	Jiangxi Casawall Industrial Co., Ltd.
2	Jiangxi Zhuoya Industrial Co., Ltd.

iii. No other producer or exporter from the subject country has filed a questionnaire response in the present investigation.

4.6 Participation by importers and users

i. The Authority sent the importer's and user's questionnaire to the known importers and users of the subject goods in India, calling for the necessary information in accordance with Rule 6(4) of the Rules. The following importers, users and associations have registered themselves as interested parties in the present proceedings:

SN	Importer / User / Association

1	Excel Home Décor Private Limited
2	All India Wallpaper Covering Association

ii. The All India Wallpaper Covering Association ("AIWA") is stated to be an association of importers and users of wallpapers, comprising more than 40 members. Amongst its members, only Excel Home Décor Private Limited has filed an importer's questionnaire response.

4.7 Registered interested parties

i. A list of all interested parties that registered themselves within the prescribed timeline was uploaded on the website of the Authority on 20th January 2026. All registered interested parties were directed to circulate the non-confidential version of all their submissions in the present proceedings with all the other interested parties.

4.8 Economic Interest Questionnaire

i. The Authority issued an Economic Interest Questionnaire to the Embassy of the subject country, to all known exporters and producers, importers and users, and to the domestic industry. The domestic industry has filed a response to the Economic Interest Questionnaire. No importer or user has filed a response to the Economic Interest Questionnaire.

4.9 Oral Hearing

i. In accordance with Rule 6(6) of the Rules, the Authority provided an opportunity to the interested parties to present their views orally in a public hearing held on 7thAugust 2026. The parties which presented their views in the oral hearing were requested to file written submissions of the views expressed orally by 12thAugust 2026, followed by rejoinder submissions by 17th August 2026. Written submissions and rejoinder submissions were filed within the prescribed timelines by the domestic industry and, on a consolidated basis, by Jiangxi Casawall Industrial Co., Ltd., Jiangxi Zhuoya Industrial Co., Ltd., Excel Home Décor Private Limited and AIWA (hereinafter collectively referred to as the "respondents").

4.10 Further Procedures

i. In the Initiation Notification, the interested parties were directed to file their comments on the scope of the product under consideration and the product control number ("PCN") methodology. Comments were received from AIWA on 29th October 2025, to which the domestic industry filed its rebuttal on 11th November 2025. After consideration of the submissions filed, the Authority notified the product scope and the PCN methodology to be considered for the present investigation vide its notice dated 19th November 2025, which was notified on the website of the Authority. The deadline for filing questionnaire responses was thereafter extended to 5th December 2025.

ii. The Authority made available the 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 a request to all of them to email the non-confidential version of their submissions to all the other interested parties.

iii. The Authority calculated the non-injurious price ("NIP") for the product under consideration so as to ascertain whether a duty lower than the dumping margin would be sufficient to remedy the injury being suffered by the domestic industry. The NIP has been calculated based on the optimum cost of production and cost to produce and sell the domestic like article in India, based on the information furnished by the applicant and having regard to Generally Accepted Accounting Principles.

iv. The Authority examined the issues raised, the information provided and the submissions made by the interested parties during the course of the proceedings, to the extent they were supported by evidence and considered relevant to the present investigation, in preparing these final findings.

v. In accordance with Rule 6(8), wherever an interested party has refused access to, or has otherwise not provided, necessary information in a timely manner during the course of the present proceedings, or has significantly impeded the investigation, the Authority has considered such parties as non-cooperative and recorded its findings based on the facts available.

vi. In accordance with Rule 7, information provided by the interested parties on a confidential basis was examined by the Authority with regard to the sufficiency of the confidentiality claimed. 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 a confidential basis were directed to provide a non-confidential summary of the information filed on a confidential basis.

vii. The Authority, during the course of the investigation, satisfied itself as to the accuracy of the information supplied by the interested parties, which forms the basis of these final findings, to the extent possible, and examined the data and documents submitted by all the interested parties to the extent considered relevant, practicable and necessary. The determinations set out in these final findings have been made on the basis of desk examination and due verification of the questionnaire responses.

viii. A disclosure statement dated 15.09.2026 was issued by the Authority, in accordance with Rule 16 of the Anti-Dumping Rules disclosing the essential facts under consideration in the matter relating to the present anti-dumping investigation. The comments to disclosure statement received from the interested parties have been considered, to the extent found relevant and non-repetitive, in these final findings.

ix. '***' in these final findings represents information furnished by an interested party on a confidential basis and so considered by the Authority under the Rules.

x. The exchange rate adopted by the Authority for the subject investigation is 1 US$ = ₹ 85.43, being the average of the exchange rates notified by the Central Board of Indirect Taxes and Customs under Section 14 of the Customs Act, 1962 for conversion of the value of imported goods, in force during the period of investigation. The same rate has been applied throughout these final findings.
Source: https://foservices.icegate.gov.in/#/services/viewExchangeRate

C. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

C.1Submissions of the other interested parties

5. The following submissions have been made by the other interested parties with regard to the scope of the product under consideration and like article. For the sake of clarity, the submissions have been grouped issue-wise.

Overbreadth of the product scope and the opportunity afforded on scope

i. It has been submitted by the other interest parties that the definition of the scope of the product under consideration is overbroad and includes several types and variants which are technically and commercially distinct from the products manufactured by the domestic industry. Certain specialty and functional variants of the PUC are not manufactured or sold by the domestic industry and therefore cannot cause injury to it; such grades must be excluded in line with WTO laws, the Anti-Dumping Rules and the consistent practice of the Authority.

ii. The issues raised by the respondents vide their submissions dated 29th October 2025 were neither heard nor dealt with while finalising the scope of the PUC. An anti-dumping investigation is quasi-judicial in character, and a decision which affects the rights of interested parties can be taken only after a due opportunity of hearing. The respondents had specifically sought a clarification as to whether certain grades fall within or outside the scope of the PUC, and no such clarification was issued before the scope was finalised. The Authority is accordingly requested to decide upon the arguments advanced and to issue a clarification on the grades in respect of which it has been sought.

Exclusion of PVC and non-woven wallpapers with a layer of foil

iii. The respondents have sought exclusion for PVC and non-woven wallpapers having a layer of foil, on the ground that these are not like articles to the wallpaper produced by the domestic industry. Foiled wallpapers differ significantly from conventional wallpapers in terms of product characteristics, manufacturing process, end-use applications, and cost and price. They further claim that the domestic industry does not manufacture foil-layered wallpapers in commercial quantities, and while it may have undertaken limited production of such products, such negligible production cannot justify their inclusion within the scope of the PUC.

iv. The domestic industry has stated that it possesses the machinery required to manufacture the subject goods; however, it has not furnished any evidence to demonstrate that it actually produced and sold such goods during the POI or the injury period. In the absence of production records, sales invoices or capacity utilisation details, the mere existence of manufacturing facilities cannot establish actual production of such goods during the relevant period. The evidence relied upon by the domestic industry has, in any event, been claimed as confidential and could not be relied upon by the respondents.

Exclusion of wallpapers of wider widths (70 cm and 106 cm)

v. Exclusion has been sought for wallpapers of wider widths, specifically 70 cm and 106 cm, as such widths are not manufactured by the domestic industry. These wider-width wallpapers are not technically and commercially substitutable with wallpapers of standard width and therefore do not qualify as a like article within the meaning of Rule 2(d) of the Anti-Dumping Rules.

vi. The contention of the domestic industry that wider rolls can be split into 53 cm rolls is misplaced. Wallpapers are design-driven products, and slitting a 70 cm or 106 cm wallpaper into two or more narrower rolls would distort the design pattern and render the wallpaper unusable for its intended purpose. It is therefore neither technically feasible nor commercially viable for importers or end users to slit wider-width wallpapers into standard-width wallpapers.

vii. Wider-width wallpapers cater to genuine and distinct market requirements. They are specifically designed and preferred for certain commercial and hospitality constructions where wider panels are required to achieve seamless installation, reduce visible joints and maintain the integrity of large-format designs. The existence of such distinct end uses demonstrates that wider-width wallpapers constitute a separate product segment.

viii. Without prejudice, if the contention of the domestic industry that there is a risk of splitting of imports or circumvention were to be accepted, the Authority may impose appropriate end-use conditions, as has been done in past investigations. Reliance is placed on the anti-dumping investigation concerning imports of Low Ash Metallurgical Coke from Australia, China PR, Colombia, Indonesia, Japan and Russia (Case No. AD(OI)-03/2025), wherein the Authority prescribed specific end-use conditions. A similar approach may be adopted to address concerns regarding circumvention while ensuring continued availability of the product for genuine end users.

ix. During the oral hearing, the domestic industry stated that it can manufacture wide-width wallpapers in India. The Authority is requested to verify whether the domestic industry has manufactured and sold wide-width wallpapers in India in commercial quantities during the relevant period, and in the absence of evidence of such production and sales, to refine the product scope accordingly.

Exclusion of wallpapers with thickness above 250 GSM

x. Exclusion has been sought for wallpapers with a thickness above 250 GSM on the ground that the same are not manufactured by the domestic industry, and that there is a substantial difference in the cost and price of 250 GSM wallpaper and the standard wallpapers produced by the domestic industry.

xi. At paragraph 44 of its written submissions, the domestic industry has stated that it is furnishing sample purchase invoices for the raw materials used in the manufacture of 300 GSM wallpaper. However, the domestic industry has not furnished any sample sales invoices evidencing the sale of such wallpaper. The mere procurement of raw materials does not, by itself, establish the actual production or commercial sale of the finished product. The Authority is requested to verify whether the domestic industry has actually manufactured and sold 300 GSM wallpaper in commercial quantities during the relevant period and to examine the supporting production and sales records before accepting such claims.

Exclusion of screen-print wallpapers

xii. Screen-print wallpapers must be excluded from the scope of the investigation as they are not produced by the domestic industry and are fundamentally different from general printed wallpapers in terms of production process, design capability and production volume. In screen printing, each colour requires a separate screen stencil and is printed individually, whereas ordinary wallpapers are produced through rotogravure technology, which is a fully automated, high-volume process in which inks are transferred through engraved cylinders at high speed, producing uniform prints with limited texture variation. The market segment for screen-print wallpapers is different from that for mass-produced PVC or non-woven wallpapers, and there is a substantial difference in cost and price.

PCN methodology

xiii. The respondents had, vide their submissions dated 29th October 2025, put forth arguments on the proper formulation of PCNs so as to enable an apple-to-apple comparison, including the creation of separate PCNs having regard to the type of vinyl coating of the base paper and the GSM of the base paper. These submissions were not dealt with while finalising the PCN methodology.

C.2Submissions of the domestic industry

6. The following submissions have been made by the domestic industry with regard to the scope of the product under consideration and like article.

Overbreadth of the product scope and the opportunity afforded on scope

i. The comments of the association on the scope of the PUC and the PCN methodology were filed on 29th October 2025, beyond the deadline of 22nd October 2025, and are liable to be rejected as belated. Without prejudice, the domestic industry filed detailed rebuttals on 11th November 2025 addressing each request on merits.

ii. The claim that the respondents were neither heard nor their submissions considered is factually incorrect. The Authority has expressly recorded in the notification dated 19th November 2025 that comments and proposals by interested parties were received and that, after examining all submissions made, it decided not to modify the scope of the product under consideration and the PCN methodology. The respondents have been afforded a full opportunity of hearing and of filing submissions, and there is no violation of the principles of natural justice.

iii. An exclusion from the PUC is an exception to the otherwise applicable product scope. The burden lies on the party seeking exclusion to demonstrate, with verifiable evidence, that the product sought to be excluded is materially different from the subject goods and cannot reasonably be treated as a like article. Bare assertions unsupported by evidence of composition, manufacturing technology, technical characteristics, end use, customer base, distribution channels or commercial substitutability are insufficient.

Exclusion of PVC and non-woven wallpapers with a layer of foil

iv. The domestic industry not only possesses the capability and technological competence to manufacture wallpapers having a foil layer but is actually manufacturing and commercially supplying the same in the Indian market. Its manufacturing facility is equipped with a dedicated foiling station and all requisite machinery. It has been manufacturing and supplying foil-based wallpapers to one of the largest wallpaper brands in India for the past three years, which establishes a commercial footing in the market. Sample invoices of sales of wallpapers with a foil layer, the product catalogue demonstrating foil-based designs, and invoices evidencing import of the foil raw material used for such production have been placed on record.

v. The importers and traders have not shown any evidence that they made a demand upon the domestic industry for such wallpapers and that the domestic industry refused to supply the same expressing its inability to manufacture. The objection that the evidence has been claimed as confidential is untenable, as sample invoices are by their nature business-sensitive.

Exclusion of wallpapers of wider widths (70 cm and 106 cm)

vi. Width is merely a dimensional variation of the same product and does not alter the essential characteristics, composition or intended use of wallpaper. Wallpapers, irrespective of width, share the same raw materials (base paper or non-woven substrate, PVC coating, inks and adhesives), the same manufacturing process (printing, coating, embossing and laminating) and the same decorative function. The relevant enquiry under Rule 2(d) is whether the products are identical or possess characteristics closely resembling those of the product under investigation, assessed by reference to physical characteristics, functions and uses, specifications, pricing, distribution and marketing, tariff classification and technical and commercial substitutability.

vii. Close to 98% of imports of wallpapers from China PR are in the standard width of 53 cm. Wider-width wallpapers are generally imported from Korea at high prices, Korea not being a subject country in the present investigation; the 106 cm format is originally a Korean standard adopted on account of that market's housing traditions and construction methods, whereas the Indian market has traditionally developed on the 53 cm format. There are no imports of 70 cm wallpapers from China PR at all. The respondents have failed to place on record any bill of entry or import volume evidencing imports of 70 cm or 106 cm wallpapers from the subject country, although such data is in their possession, and the Authority may verify the same from the importer's questionnaire response of Excel Home Décor Private Limited and from the exporter questionnaire responses.

viii. The contention that slitting would distort the design is mis-founded. Wallpaper installation itself proceeds by cutting strips from a roll and matching the design at the edges so that the seams are practically invisible; a wallpaper installation comprises multiple strips or panels placed adjacent to one another to create a continuous visual design. Large-format designs are covered by installing wallpapers in panels with matched patterns. Slitting a 106 cm roll into two 53 cm rolls involves negligible cost, no technical effort and no specialised machinery or skill.

ix. The purported reliance on "genuine and distinct market requirements" and "commercial and hospitality constructions" is vague and unsupported; no commercial or hospitality construction entity is on record. Major Indian brands sell standard-size wallpapers to the same customers in the commercial and hospitality sector, demonstrating commercial interchangeability.

x. The reliance on the Low Ash Metallurgical Coke investigation is misplaced. In that case the end users had themselves participated and the Authority had found that the domestic industry did not manufacture the specific grade used in ferroalloy applications. In the present investigation no end user has participated. An end user of wallpaper is a builder or a home buyer; the participating parties are importers and traders who purchase in bulk for resale to dealers and retailers and can never be end users. An end-use-based exemption is therefore unfounded, and its only purpose would be to create avenues for circumvention: at an import price of about ₹157 per kg, any duty could be readily circumvented by importing in non-standard width and slitting the material in India.

xi. Reliance is placed on the Final Findings in Case No. AD(OI)-22/2020 concerning Certain Flat Rolled Products of Aluminium from China PR, where the Authority declined to exclude foil stock of width above 1950 mm in the absence of any known difference in physical and chemical characteristics, product specifications, distribution and marketing, functions and tariff classification.

Exclusion of wallpapers with thickness above 250 GSM

xii. The domestic industry manufactures wallpapers ranging between 150 and 300 GSM and has been doing so consistently as part of its ongoing commercial production. Sample invoices evidencing purchase of the base paper required to produce 300 GSM wallpaper, together with relevant images substantiating such production, have been placed on record.

xiii. GSM pertains to the base paper used in manufacture. A higher GSM signifies only a thicker or denser substrate and does not alter the fundamental nature of the product, nor does it require any modification to the manufacturing infrastructure, printing or coating processes. The existing coating, printing, embossing and laminating stations are fully capable of processing substrates of any grammage, and the same production line can switch between substrates of different GSM without any alteration in machinery or process. The end use, visual appearance, surface finish and method of installation remain identical across GSM categories.

Exclusion of screen-print wallpapers

xiv. Screen printing does not represent a separate process or product line but is an optional surface-enhancement technique used within the same integrated production framework. The manufacturing facility of the domestic industry is equipped with both rotogravure and screen-printing units installed as part of the same continuous production line, and images of the screen-printing station, the rotogravure cylinder and the screen cylinder have been placed on record.

xv. While the method of ink transfer differs, the end result and the visual characteristics of the printed wallpaper remain identical, and both processes utilise the same substrates, inks and coatings. The screen-print technique deposits more printing ink through mesh cylinders, which rotogravure achieves by using more cylinders in sequence; the same design can be printed by either technology, the difference being one of speed and productivity per design. No manufacturer records the internal printing technology on its invoices, and no such distinction exists in import descriptions or invoice descriptions. The demand that the domestic industry prove such sales by invoices seeks to impose a burden that the respondents themselves cannot discharge. A difference in cost and price is not a ground for exclusion; variations in pricing arise from design complexity, finish and brand positioning, which are intrinsic to the diversity within a single product category.

PCN methodology

xvi. The requests for separate PCNs for "type of vinyl coating" and "GSM of base paper" were bare claims unsupported by any parameters, technical definition, commercial rationale or specification. No distinction was drawn between different types, grades or compositions of vinyl coating, and no demonstration was made that such variations result in material differences in physical, chemical or functional characteristics, end-use applications, or cost and price. For GSM of base paper, no cost or price difference was furnished on a per kg or per MT basis, the unit of measurement in the present investigation being weight and not rolls or pieces.

C.3 Examination by the Authority

7. At the time of initiation of the present investigation, the Authority considered the following as the scope of the product under consideration:

> *"The product under consideration for the present investigation is Wallpapers, limited to Polyvinyl Chloride ("PVC") Wallpapers and Non-Woven Wallpapers."*

8. PVC wallpaper is a wall covering made by printing designs on PVC-coated paper, the coating rendering the paper easy to clean and suitable for areas such as kitchens, bathrooms and hallways; it is usually embossed after heating, which imparts depth and a tactile decorative quality. Non-woven wallpaper is a wall covering made by printing designs on non-woven paper; it is breathable, tear-resistant and durable, does not expand when wet and can be peeled off in strips without damaging the wall beneath. Digital customised wallpaper, natural wallpaper and fabric-backed wallpaper stand excluded from the scope of the product under consideration.

9. The subject goods are classified under Chapter 48 of Schedule I to the Customs Tariff Act and are imported under tariff items 4814 20 00 and 4814 90 00. The customs classification is indicative only and is not binding on the scope of the product under consideration.

10. The Authority notified the proposed PCN methodology at the stage of initiation, comprising two product control numbers, namely PVC wallpaper ("PVC") and non-woven wallpaper ("NW"). Comments were invited on the scope of the PUC and the PCN methodology and, after examining all the submissions received, the Authority confirmed the scope of the product under consideration and the PCN methodology vide notification dated 19th November 2025.

Overbreadth of the product scope and opportunity on scope

11. The Authority notes that the interested parties were granted an opportunity to comment on the scope of the product under consideration and the PCN methodology at the threshold of the investigation. The comments filed by the association, although filed beyond the prescribed date, were taken on record and examined, as were the rebuttals of the domestic industry. The notification dated 19th November 2025 records that the submissions were examined before the scope was confirmed. The interested parties have thereafter had a further opportunity to address the scope of the product at the oral hearing held on 7th August 2026, in their written submissions and in their rejoinder submissions, all of which have been considered in these final findings. The Authority therefore does not find that any interested party has been denied a reasonable opportunity in respect of the scope of the product under consideration.

12. So far as the request for a separate clarification on individual grades is concerned, the Authority notes that the scope of the product under consideration has been defined by reference to the two categories which the product comprises, namely PVC wallpapers and non-woven wallpapers, together with three express exclusions, namely, digital customised wallpaper, natural wallpaper and fabric-backed wallpaper, as mentioned in the initiation notification. The four exclusion

requests pressed by the respondents are examined on merits hereinbelow, and that examination itself constitutes the determination sought.

The Authority further notes that the legal test for exclusion is not whether the domestic industry produces every variant of the product under consideration, but whether the variant sought to be excluded is a like article to the goods produced by the domestic industry, assessed by reference to physical and chemical characteristics, manufacturing process, functions and uses, product specifications, pricing, distribution and marketing, tariff classification and, importantly, technical and commercial substitutability. The product scope should not allow an otherwise covered product to avoid the measure merely because of a minor change in its size, dimension or appearance.

Foil-layered wallpapers

13. The Authority notes that the domestic industry has placed on record sample invoices evidencing sales of foil-layered wallpapers, a product catalogue displaying designs incorporating foil layers, and invoices evidencing import of the foil raw material consumed in such production. The respondents, who are importers and traders of the product and who have access to their own purchase and import records, have not placed on record any evidence of the physical, chemical or functional characteristics of foil-layered wallpapers which would distinguish them from the wallpapers produced by the domestic industry, nor any evidence of the volume of their own imports of foil-layered wallpapers from the subject country.

14. The application of a foil layer is a surface-decoration step applied to the same PVC-coated or non-woven substrate. It does not alter the composition of the substrate, the printing, coating, embossing or laminating operations, or the end use of the product as a decorative wall covering. The Authority accordingly finds that foil-layered wallpapers possess characteristics closely resembling those of the wallpapers produced by the domestic industry and are technically and commercially substitutable with them. The request for exclusion is not accepted.

Wallpapers of wider widths (70 cm and 106 cm)

15. The Authority notes that width is a dimensional specification. The parties seeking exclusion have not demonstrated any difference between wider-width and standard-width wallpapers in respect of raw materials or composition, the printing, coating, laminating or finishing process, physical or technical characteristics other than width, principal function or end use, channels of distribution, customer base or tariff classification.

16. The competing contentions on slitting are noted. The Authority observes that the point is not determinative of like-article status. Whether or not a wider roll is in fact slit, the product performs the same function, is applied to the same surfaces by the same method, and is sold through the same channels to the same customers. Using a wider roll may reduce the number of joints during installation, but this is only a matter of convenience and does not make it a different product. The Authority further notes that an exclusion framed by reference to roll width would create an obvious avenue for circumvention, since a producer could avoid the measure by a marginal alteration of width.

17. As regards the alternative prayer for an end-use condition, the Authority notes that in the investigation concerning Low Ash Metallurgical Coke the end-use condition was prescribed in circumstances, whereas, in the present investigation, no wallpaper end user has participated. The participating parties are producers and exporters from the subject country, an importer and an association of importers and users. Imports of the subject goods are made by traders for resale to dealers and retailers, and the ultimate consumer of the product is the occupier of the premises on which the wallpaper is applied. An end-use condition in these circumstances would be incapable of meaningful administration.

18. The Authority also notes that the respondents, who are best placed to furnish the data, have not placed on record the volume of their imports of 70 cm or 106 cm wallpapers from the subject

country. It is a settled practice of the Authority that where the party seeking exclusion is unable to demonstrate that imports of the product for which exclusion is sought are in fact taking place from the subject country, the request gets rejected. Having regard to the foregoing, the request for exclusion of wallpapers of 70 cm and 106 cm width, and the alternative request for an end-use condition, are not accepted.

Wallpapers above 250 GSM

19. The Authority notes that GSM denotes the grammage of the base paper or substrate. The domestic industry has stated on affidavit that it manufactures wallpapers in the range of 150 to 300 GSM and has placed on record purchase invoices for base paper of the grammage required to produce 300 GSM wallpaper, together with images substantiating such production. The respondents' objection is that procurement of raw material does not establish sale of the finished product.

20. The Authority observes that the objection, even if accepted at its highest, does not advance the case for exclusion. The question is not whether the domestic industry sold a particular grammage during the POI, but whether wallpaper above 250 GSM is a like article to wallpaper below 250 GSM. On that question, no evidence has been placed on record to show that a difference in grammage results in any difference in the composition of the product, in the manufacturing process, in the function or end use of the product, or in the manner of its installation. A heavier substrate is processed on the same line, with the same inks and coatings, to produce the same decorative wall covering. Further, a differential in cost or price within a product category, arising from substrate weight, design or finish, is not by itself a ground for exclusion. The request is not accepted.

Screen-print wallpapers

21. The Authority notes that screen printing and rotogravure printing are alternative methods of transferring ink onto the same substrate. The domestic industry has placed on record images demonstrating that its facility is equipped with both rotogravure and screen-printing stations installed on the same continuous production line. The resulting product in each case is a printed PVC or non-woven wallpaper applied for interior wall decoration.

22. The respondents have not placed on record any import invoice or bill of entry in which the printing technology is identified, and the Authority's examination of the transaction-wise import data confirms that the item descriptions do not disclose the printing technology employed. A distinction which is not capable of identification at the point of importation cannot form the basis of a workable exclusion. The claim of a distinct premium market segment is founded on price differentials which, as noted above, arise from design complexity, finish and brand positioning within a single product category. The request is not accepted.

PCN methodology

23. The Authority notes that the PCN methodology adopted in the present investigation distinguishes the product by reference to the substrate, namely PVC and non-woven, which is the characteristic that principally governs the composition, cost and commercial identity of the product. The proposals for further PCN parameters based on the type of vinyl coating and the GSM of the base paper were not accompanied by any definition of the parameter, any proposed range or code structure, or any evidence of a resulting difference in cost or price on the basis of weight, which is the unit of measurement adopted in the present investigation. In the absence of such particulars, the proposals were not capable of being operationalised into a workable PCN structure.

24. The Authority has, in any event, determined the normal value, the non-injurious price, the net export price and the landed value separately for each of the two product control numbers, and has undertaken the comparison on a PCN-to-PCN basis for each cooperating producer, as set out in Sections G and J below. The concern that the comparison should be on an apple-to-apple basis has therefore been addressed to the extent the record permits.

Conclusion on product under consideration and like article

25. Having regard to the above, the Authority notes that there are no significant differences between the product produced by the domestic industry and the goods imported from the subject country. The product produced by the domestic industry and that imported from the subject country are comparable in terms of physical and chemical properties, functions and uses, product specifications, distribution and marketing, and tariff classification, and are being used interchangeably by consumers. The product manufactured by the domestic industry is accordingly treated as a like article to the product imported from the subject country within the meaning of Rule 2(d) of the Anti-Dumping Rules. The Authority retains the scope of the product under consideration and the PCN methodology as notified in the initiation notification and confirmed vide notification dated 19th November 2025.

D. SCOPE OF DOMESTIC INDUSTRY AND STANDING

D.1 Submissions of the other interested parties

26. No submission has been made by the other interested parties disputing the eligibility of the applicant to constitute the domestic industry or its standing to file the present application.

D.2 Submissions of the domestic industry

27. The applicant constitutes the domestic industry within the meaning of Rule 2(b) of the Anti-Dumping Rules and satisfies the requirement of standing under Rule 5(3), as it is the sole producer of the product under consideration in India. The applicant is neither an importer of the product under consideration from the subject country nor related to any exporter in the subject country or to any importer in India. Since no interested party has opposed its eligibility, the domestic industry has not considered it necessary to substantiate the matter further.

D.3 Examination by the Authority

28. 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."*

29. The Authority notes that the application for initiation of the present investigation was filed by Eximus Wallpapers Private Limited. The applicant commenced commercial production of the subject goods in January 2022 at its manufacturing facility at Taloja and is the only producer of the product under consideration in India. No other domestic producer of the like article has been identified by any interested party, and the available facts on record does not disclose the existence of any other domestic source of supply.

30. The Authority has examined the records of the applicant and finds that it has not imported the product under consideration from the subject country during the injury period or the period of investigation, and that it is not related to any exporter of the subject goods from the subject country or to any importer of the subject goods in India.

31. The production of the applicant therefore constitutes 100% of the total Indian production of the like article. In view of the foregoing, the applicant is treated as eligible to constitute the domestic industry under Rule 2(b) of the Anti-Dumping Rules, and the application is held to satisfy the requirements of standing under Rule 5(3) of the Rules.

E. CONFIDENTIALITY

E.1 Submissions of the other interested parties

32. The following submissions have been made by the other interested parties with regard to confidentiality.

   i. The domestic industry has claimed excessive confidentiality in violation of Trade Notice No. 10/2018 by failing to provide meaningful non-confidential summaries of critical information. Several key data points, including the manufacturing process, the names of the major raw materials, the construction of normal value and its range, and the range of the non-injurious price, have either been fully redacted or disclosed without adequate summaries, thereby preventing the interested parties from effectively exercising their right of defence. A detailed letter identifying each such instance was filed on 14th November 2025.

   ii. In view of Rule 7 of the Anti-Dumping Rules, information for which no proper non-confidential summary has been furnished cannot be relied upon and ought to be disregarded. Reliance is placed on the judgment of the Hon'ble Supreme Court *in Union of India v. Meghmani Organics Ltd., 2016 (340) E.L.T. 449 (SC)*, wherein Rule 7 was interpreted to mean that while sensitive information may be protected, the Designated Authority cannot rely upon confidential information in the absence of a proper non-confidential summary. Unless proper non-confidential summaries and indexed information or adequate justification are provided, the Authority ought not to proceed with the investigation.

   iii. Access to the transaction-wise import data in a usable format is crucial for meaningful participation, and the Authority is requested to provide the import data in the same format and manner in which it has been taken on record for the purpose of the investigation.

   iv. The domestic industry has claimed confidentiality over the entirety of the costing formats, the annual report, the project report and other documents, which are not susceptible to a blanket claim.

E.2 Submissions of the domestic industry

33. The following submissions have been made by the domestic industry with regard to confidentiality.

   i. No excessive confidentiality has been claimed. Only commercially sensitive and business-proprietary information has been claimed as confidential under Rule 7, with a proper non-confidential summary or an explanation of the substance, as required.

   ii. The manufacturing process has in fact been disclosed at paragraphs 1 and 2 of Section I of the non-confidential version of the petition, and the raw materials, namely PVC-based base paper, non-woven base paper and printing inks, have been identified therein. The objection that the manufacturing process and raw materials were not disclosed is factually incorrect. What cannot be disclosed are supplier names, purchase quantities and purchase prices, which are by their nature confidential.

   iii. Production information has been provided in the form of trends in the petition and in the injury formats, and the non-injurious price has been disclosed in a range in the written submissions. Costing information is by its nature confidential. Information relating to research and development expenses and equity, including funds raised, no longer forms part of the injury format (Proforma IV-A), which has since been revised by the Authority, and the objection proceeds on an incorrect basis.

   iv. Wherever required, information and data have been provided in the form of trends or ranges to enable other interested parties to present their arguments. Should the

Authority consider that any further disclosure is required, the domestic industry will consider such a request in accordance with law and practice.

v. The confidentiality objections raised by the interested parties are, in any event, belated.

E.3 Examination by the Authority

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

> *"(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 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."*

35. The information provided by all the interested parties on a confidential basis was examined with regard to the sufficiency of the confidentiality claims. On being satisfied, the Authority has accepted the confidentiality claims wherever warranted, and such information has been treated as confidential and not disclosed to the other interested parties. Wherever possible, the parties providing information on a confidential basis were directed to provide a sufficient non-confidential version.

36. The Authority notes that confidentiality has been claimed by the applicant as well as by the participating producers and exporters in respect of information such as production, capacity, capacity utilisation, sales volumes, market share, stocks, selling prices, costs, profits, cash profits, return on investment, non-injurious price, cost of production, normal value, export price, dumping margin, injury margin, price adjustments, sales channels, sale and purchase documents, and the names of customers and suppliers. Such information is by its nature business-proprietary, and its disclosure would be of significant competitive advantage to a competitor or would have a significantly adverse effect upon the party supplying it. Wherever the information relates to the injury period, it has been provided on an indexed basis or in ranges.

37. With regard to the specific objections raised, the Authority notes that the manufacturing process and the identity of the principal raw materials have been disclosed in the non-confidential version of the application; that the trends of production, sales, capacity and profitability have been furnished in indexed form; and that the non-injurious price has been disclosed in a range. The objection founded on Proforma IV-A is misconceived, the format having since been revised. The Authority has proceeded on the basis of information for which a sufficient non-confidential summary has been made available on record, and no determination

in these final findings rests upon information in respect of which a non-confidential summary was called for and not furnished.

38. So far as the request for supply of the transaction-wise import data is concerned, the Authority notes that the data has been obtained from DG Systems and constitutes information received from another arm of the Government, which is made available in the manner and to the extent permissible. The Authority has, in these final findings, disclosed the volume, value and landed price of imports for the injury period and the period of investigation, which enables interested parties to comment meaningfully on the import data relied upon.

39. As regards the reliance placed on Meghmani Organics (supra), the Authority notes that the ratio of the judgment is that a claim of confidentiality must be examined and a reasoned satisfaction recorded, and that information for which no non-confidential summary is furnished, and in respect of which no reasons for non-summarisation are accepted, may be disregarded. That exercise has been undertaken in the present investigation, as recorded above. The submission that the investigation ought not to proceed at all pending such disclosure is not supported by Rule 7 and is therefore, not accepted.

F. MISCELLANEOUS ISSUES

F.1 Submissions of the other interested parties

40. The domestic industry has sought provisional findings and the imposition of provisional duties at paragraph 95 of its non-confidential petition. The request is baseless on the facts of the present case, as the domestic industry is running in profits, there are no cash losses, the return on capital employed is positive, and the domestic industry has captured a substantial market share despite being in its stated nascent stage.

41. There is an internal inconsistency in the petition: at paragraph 66 the domestic industry has stated that Indian production increased from an indexed level of 100 in the base year to 426 in the POI, whereas paragraph 74 indicates that production of the PUC increased only from 100 to 106 over the same period. Since the applicant is the sole producer of the subject goods in India, the production figures reported at different places in the petition ought to be consistent. The apparent discrepancy raises concerns regarding the accuracy of the information presented and the Authority may verify the production data relied upon.

42. The import segregation methodology adopted by the petitioner is itself subject to limitations. As recorded in Step 6 of Annexure 1.5 to the petition, certain transactions could not be identified as PUC or NPUC, and such transactions constitute 13.58% of the total number of transactions and 21.04% of the total CIF value of all import transactions. A substantial portion of the data underlying the volume and price injury claims therefore remains unclassified, which materially affects the reliability of the import data relied upon.

F.2 Submissions of the domestic industry

43. The request relating to provisional duty is misconceived at this stage of the proceedings. Rule 13 of the Rules provides that no provisional duty may be imposed before the expiry of sixty days from the date of the public notice of initiation, which in the present case is 27th September 2025, and that such duty shall remain in force for a period not exceeding six months, extendable by the Central Government to nine months. Those periods have since elapsed, and the investigation has proceeded to the stage of oral hearing and post-hearing submissions.

44. The difference in the indexed production figures is explained by the fact that the trend at paragraph 66 is computed without annualising the base-year production, which covered only three months of operation, whereas the trend at paragraph 74 is computed after such annualisation. There is no inconsistency in the underlying data. This point was raised for the

first time in the respondents' written submissions and the clarification is being furnished accordingly.

45. While the interested parties have criticised the information furnished by the domestic industry, they have themselves furnished no alternative information, whether on imports of the grades for which exclusion is sought or otherwise.

F.3 Examination by the Authority

46. As regards provisional measures, the Authority notes that no provisional duty has been recommended in the present investigation and that the timelines prescribed under Rule 13 have in any event elapsed. The submissions of the interested parties on this issue have therefore been rendered infructuous, and the Authority proceeds directly to the stage of final determination.

47. As regards the discrepancy in the indexed production figures, the Authority notes the explanation furnished by the domestic industry that the base year 2021-22 comprises only three months of operation, commercial production having commenced in January 2022, and that one set of indices was computed on the reported figures while the other was computed after annualising the base year. The Authority has verified this from the underlying data and finds the explanation to be correct. In order to avoid any ambiguity, the Authority has, in these final findings, presented the actual reported figures for each period without annualisation, and has expressly noted the truncated character of the base year wherever a trend is drawn from it.

48. As regards the limitations in the import data, the Authority notes that it has not relied upon the import data furnished by the domestic industry, either at the stage of initiation or in its determination. The Authority has relied upon the transaction-wise data obtained from DG Systems, which it has independently examined and classified. The extent of unclassified transactions in the petitioner's own compilation is therefore not material to the determinations made in these final findings. The classification undertaken by the Authority on the DG Systems data, and the volumes flowing from it, are disclosed in relevant paras in these final findings.

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

G.1 Submissions of the other interested parties

49. The following submissions have been made by the other interested parties with reference to the determination of normal value, export price and dumping margin.

Adjustment on account of the domestic industry's imported inputs

i. The domestic industry has itself confirmed that all key raw materials, inks and cylinders required for the manufacture of wallpapers are imported from China PR. In such circumstances, additional costs relating to freight, packaging, handling and transportation are inevitably incurred, and there may be quality rejections of imported materials resulting in further costs. If the domestic industry seeks to compare its cost of production with that of Chinese producers, its costs will inherently be higher, as Chinese producers enjoy a significant advantage in terms of proximity to raw material sources and material availability. The Authority is requested to take these factors into consideration while determining the cost of production and assessing the competitiveness of domestic production vis-à-vis imports from China PR.

Adjustment for design, catalogue and market-development costs borne by importers

ii. The wallpaper trade in India may be broadly categorised into two categories, namely Category A comprising domestically designed and catalogued products, and Category B comprising off-the-shelf wallpaper of common designs. In Category A, companies invest significant amounts in creating a design or purchasing a design from independent design studios; in-house design teams then convert the designs into technical output for printing cylinders, which is handed over to the manufacturers to produce the wallpapers. In this process the importers incur significant expenditure on product design, development of catalogues, marketing materials, customer outreach and other activities necessary to market and sell wallpapers in India. Wallpapers are therefore not simply imported and resold; considerable value addition is undertaken by importers before the products reach the end customer.

iii. Accordingly, while comparing costs and assessing the economic parameters of the domestic industry, due consideration must be given to the nature of such expenses. Since importers themselves bear the costs associated with designing, catalogue preparation and market development, a direct comparison of the import price with the domestic industry's cost would not be a fair comparison. The Authority must disallow similar expenses claimed by the domestic industry in the computation of its non-injurious price or, in the alternative, while determining the landed price and export price for the participating exporters, make the necessary adjustment for these expenses, which may be taken from the importer's questionnaire response.

Response to the domestic industry's comments on the exporter questionnaire responses

iv. In respect of Jiangxi Casawall, the allegation that it is engaged in dumping merely because its export volumes to India increased is misconceived. Jiangxi Casawall was exporting the subject goods to India before the domestic industry commenced production in January 2022, and the increase in exports therefore cannot be attributed to any strategy aimed at adversely affecting the domestic industry; rather, it reflects a continued commercial presence and business expansion in India which predates the domestic industry's production. The data relied upon by the domestic industry itself shows that the export sales realisation to India remained largely stable throughout the injury period, declining marginally from an indexed level of 100 in the base year to 97 during the POI. Exports to other countries also increased during the same period, demonstrating that the growth was part of an overall business expansion and not targeted at the Indian market.

v. In respect of Jiangxi Zhuoya, the inference of dumping drawn from an increase in exports to India is equally misplaced, as it too commenced exports to India well before January 2022. The sales realisation for exports to India remained broadly stable, increasing from an indexed level of 100 in the base year to 105 in the POI. The comparison of export prices across different markets is misleading, as prices vary depending upon product specifications, customer requirements, order quantities, commercial terms and prevailing market conditions in each country.

vi. The export price of Jiangxi Casawall for exports to India declined by only 3 indexed points in the POI as compared to the base year, while that of Jiangxi Zhuoya increased by 5 indexed points over the same period. There has accordingly been no material decline in export prices by the participating producers and exporters over the injury period, and the contention of the domestic industry regarding a continuous fall in export prices is factually incorrect.

G.2 Submissions of the domestic industry

50. The following submissions have been made by the domestic industry with reference to the determination of normal value, export price and dumping margin.

Treatment of China PR as a non-market economy and determination of normal value

i. China PR should be treated as a non-market economy in accordance with Article 15(a)(i) of China's Protocol of Accession to the WTO, and the normal value should be determined in terms of Annexure I to the Rules. The expiry of subparagraph (a)(ii) fifteen years after accession does not lead to an automatic conclusion that China PR is to be granted market economy status; under Article 15(d), China PR must establish, under the national law of the importing WTO Member, that it is a market economy, and that obligation has not been discharged. A valid presumption therefore exists in favour of treating China PR as a non-market economy.

ii. Paragraph 8(2) of Annexure I to the Rules creates a presumption that a country is to be treated as a non-market economy if it has been so treated for the purposes of an anti-dumping investigation either by the Authority or by the investigating authority of any other WTO Member in the three-year period preceding the investigation. China PR has been consistently treated as a non-market economy by the Indian Authority and by investigating authorities in other jurisdictions during that period.

iii. Since the Chinese producers are not automatically entitled to market economy treatment, the normal value should be determined under paragraph 7 of Annexure I. The domestic industry attempted to obtain information on the cost and price of the product under consideration in a market economy third country but could not succeed, as such information is not available in the public domain. The price from a market economy third country to other countries, including India, could not be adopted either, since other types of wallpapers which are not the product under consideration are also imported under the same tariff items, so that an average price of those tariff headings would not be accurate. The Authority is accordingly requested to construct the normal value on the residual basis available under paragraph 7, that is, on the basis of the best estimates of the cost of production of the domestic industry as adjusted for a reasonable profit margin.

Response on the adjustment sought on account of imported inputs

iv. The argument that the domestic industry uses imported base paper or cylinders from China PR is of no consequence. As a matter of settled legal principle, the domestic industry must be seen in the condition in which it is and not in idealised conditions. The investigation concerns the finished product imported into India and not the raw materials, and the domestic industry is entitled to source raw materials from domestic or import sources at the best available commercial rates. As a matter of accounting principle, any cost incurred to bring the raw materials to their present location and condition for undertaking manufacture in India forms part of the raw material cost, and an argument to the contrary militates against the fundamental principles of accounting and of the construction of normal value and non-injurious price. The respondents have failed to explain the legal basis for the adjustment sought to the cost of production of the domestic industry.

Comments on the exporter questionnaire responses

v. The domestic sales of Jiangxi Casawall are nil throughout the injury period, while its export sales to India have continuously increased, rising from an indexed level of 100 in the base year to 42,074 in the POI, and its sales realisation per unit for exports to India has continuously fallen over the same period.

vi. The export sales of Jiangxi Zhuoya to India increased more than nine times in the POI as compared to the base year, while its export sales to other countries decreased by about 50% over the same period. Its sales realisation per unit for exports to India increased by only 5 indexed points over four years, whereas its sales realisation for exports to other countries increased by 56 indexed points. Its domestic sales declined by almost 50% in the POI as compared to the base year, while its domestic sales realisation remained above the base-year level.

vii. The landed price of imports of wallpapers from China PR has fallen from about ₹223 per kg in the base year to about ₹157 per kg in the POI. The import price of the finished wallpaper is now below the price of the basic raw material: while base paper (non-woven and PVC) ranges between ₹200 and ₹250 per kg, the landed price of the finished imported wallpaper is only about ₹157 per kg, although a finished wallpaper requires approximately one kilogram of base paper in addition to inks, pigments, cylinders, wages, shop-floor expenses, manufacturing overheads, salaries, general and administrative expenses and interest costs.

viii. The reasons for the steep reduction in export prices from China PR include dumping and exports at throw-away prices arising from very large capacities, coupled with the property downturn in China PR which has reduced domestic demand as consumers shift to other forms of wall panelling. Overcapacity created during the real-estate boom led to price wars, the slowing of residential completions eliminated bulk purchasing by developers, and surviving factories have moved towards wide-format heavy-duty fabric backings, seamless textiles and PVC-free recyclable substrates. The surplus production which Chinese producers are unable to sell in their domestic market is being exported to other countries including India.

ix. Individual margins may be determined on the basis of the responses filed by the cooperating producers, if such responses are found to contain adequate and accurate information. The dumping margin in the present investigation is positive and significant.

G.3 Examination by the Authority

51. The Authority has examined the submissions of the interested parties on the determination of normal value, export price and dumping margin. The determination has been made separately for each product control number, namely PVC wallpaper and non-woven wallpaper, and the margins for each producer have thereafter been weighted by that producer's own volume of exports under each product control number.

G.3.1 Determination of Normal Value

52. Article 15 of China's Protocol of Accession to the WTO provides as follows:

> *"(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."*

53. The Authority notes that neither of the two cooperating producers has claimed market economy treatment or filed the information required to substantiate such a claim. Jiangxi Casawall has reported nil domestic sales of the product under consideration throughout the injury period and the period of investigation. Jiangxi Zhuoya has expressly recorded in its questionnaire response that it understands China PR to be treated as a non-market economy by the Authority and that, consequently, its domestic sales information and cost of production information are not to be considered for determining the normal value and the dumping margin. In these circumstances,

the normal value falls to be determined in accordance with paragraph 7 of Annexure I to the Rules, which provides as follows:

> *"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…"*

54. In the present case, no evidence of the price or constructed value prevailing in a market economy third country has been brought forward by any interested party. Further, the product under consideration does not have a dedicated tariff line at the six-digit level, and the tariff items under which the subject goods are imported also cover other types of wall coverings which are not the product under consideration. The price of exports from a market economy third country to other countries, including India, drawn from those tariff items would therefore not represent the like article. The Authority has accordingly determined the normal value on the residual basis available under paragraph 7 of Annexure I, that is, on the basis of the price payable in India for the like product, constructed from the cost of production of the domestic industry, duly adjusted for selling, general and administrative expenses and a reasonable profit margin.

G.3.2 Determination of Export Price

55. The export price has been determined on the basis of the price of sale charged from unrelated customers in India, as reported in the questionnaire responses of the cooperating producers, after making adjustments for expenses incurred between the ex-factory level and the point of delivery so as to arrive at the ex-factory level of the exporter. The landed value has been determined by building up the CIF value at the Indian port and adding basic customs duty at 10% and social welfare surcharge at 10% of the basic customs duty, aggregating to 11% of the assessable value.

56. Since a part of the sales of one of the cooperating producers was made on ex-works and free-on-board terms, the ocean freight required to build up the CIF value has been derived from the cost-and-freight shipments of that producer, which works out to US$*** per kg, and marine insurance has been computed at ***% of the FOB value in accordance with Rule 10 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. The same rate of ocean freight has been adopted for the other cooperating producer, all of whose sales were on free-on-board terms.

(a) Jiangxi Casawall Industrial Co., Ltd.

57. During the period of investigation, Jiangxi Casawall has exported *** MT of the product under consideration to India, comprising *** MT of PVC wallpaper and *** MT of non-woven wallpaper, across 75 transactions to 14 unrelated customers in India. All the goods exported were manufactured by the producer itself, and there is no related exporter or related importer in the chain of sale. The sales were made on cost-and-freight, free-on-board and ex-works terms. All adjustments including export price and volume have been accepted after desk verification.

58. The net export price at the ex-factory level has been determined as follows.

Net Export Price, Jiangxi Casawall (POI)

PCN	Quantity (MT)	Net invoice value (US$)	Adjustments (US$)	Net export price (US$)	Net export price (US$/MT)
PVC	***	***	***	***	***
Non-woven	***	***	***	***	***
Total	***	***	***	***	***

59. The adjustments comprise ocean freight, inland transportation and packing expenses.

(b) Jiangxi Zhuoya Industrial Co., Ltd.

60. During the period of investigation, Jiangxi Zhuoya has exported *** MT of the product under consideration to India, comprising *** MT of PVC wallpaper and *** MT of non-woven wallpaper, across 15 transactions to four unrelated customers in India. All the goods exported were manufactured by the producer itself and all sales were made on free-on-board terms. All adjustments including export price and volume have been accepted after desk verification.

61. The net export price at the ex-factory level has been determined as follows.

Net Export Price, Jiangxi Zhuoya (POI)

PCN	Quantity (Kg)	Net export price (US$)	Net export price (US$/MT)
PVC	***	***	***
Non-woven	***	***	***
Total	***	***	***

(C) Non-cooperating producers and exporters

62. For non-cooperative producers and exporters, the Authority has determined the export price and landed value on the basis of facts available from the transaction-wise DG Systems data.

G.3.3 Dumping Margin

63. The dumping margin has been determined for each product control number by comparing the constructed normal value with the net export price at the ex-factory level. For each cooperating producer, the product-control-number margins have been weighted by that producer's own export volume under the respective PCNs. The dumping margin so determined is given in the table below:

Producer	PCN	Quantity (MT)	Normal Value (US$/MT)	Net Export Price (US$/MT)	Dumping Margin (US$/MT)	Dumping Margin (%)	Range %
Jiangxi Casawall	NW	***	***	***	***	***	110-120
	PVC	***	***	***	***	***	110-120
	Weighted	***	***	***	***	***	110-120
Jiangxi Zhuoya	NW	***	***	***	***	***	10-20
	PVC	***	***	***	***	***	100-110
	Weighted	***	***	***	***	***	60-70
Any Other		***	***	***	***	***	170-180

G.3.4 Examination of the specific submissions of the interested parties

64. **Adjustment for imported raw materials:** The Authority notes that normal value and NIP have been calculated using the domestic industry's cost of production, as required under the Rules. The cost of imported raw materials includes freight, handling and other expenses incurred in bringing them to the factory. These costs cannot be reduced merely because Chinese

producers may incur lower costs. The respondents have not identified any specific expense that should be excluded under the Rules. Their request is therefore not accepted.

65. **Adjustment for design, catalogue and marketing expenses:** The Authority notes that design, catalogue and marketing expenses incurred by importers in India after importation relate to their own business activities. These expenses cannot be deducted from the export price or landed value. Similarly, the domestic industry's normal design, catalogue and selling expenses form part of its cost of making and selling wallpapers and cannot be excluded from NIP. The Authority has ensured that extraordinary or non-recurring expenses are excluded as required under Annexure III. The requests are therefore not accepted.

66. **Changes in export volumes and prices:** The Authority notes that changes in export volumes or prices over the injury period do not, by themselves, establish whether dumping exists. Dumping is determined by comparing normal value with export price during the POI. The Authority has made this comparison separately for each cooperating producer and each PCN. The respondents' submissions have been considered but do not change the dumping determination.

H. EXAMINATION OF INJURY AND CAUSAL LINK

H.1 Submissions of the other interested parties

67. The following submissions have been made by the other interested parties with regard to injury and causal link:

Material injury and material retardation cannot co-exist

i. Section 9B of the Customs Tariff Act, 1975 read with Rule 11 of the Anti-Dumping Rules contemplates three forms of injury, namely material injury to the domestic industry, threat of material injury to the domestic industry, and material retardation to the establishment of an industry in India. Material retardation may refer either to a developing industry which has not yet begun commercial production but in respect of which a substantial commitment to commence production has been made, or to a nascent industry which has begun commercial production but is yet to find its place in the market.

ii. The two forms of injury cannot co-exist simultaneously. An examination of material retardation pertains to a nascent or embryonic industry that is yet to be fully established, whereas an assessment of material injury is undertaken only in respect of a duly established domestic industry. Where the domestic industry is already established, the applicable forms of analysis are limited to material injury or threat of material injury; conversely, where the industry is in the process of being established, the question of material injury does not arise. An industry cannot, at the same point in time, be regarded as both established and unestablished so as to justify parallel claims.

Exclusion of imports in the "product-sensitive" segment

iii. The domestic industry has stated that the market consists of a price-sensitive, high-volume segmen/t and a product-sensitive segment. It has submitted that it faces greater competition from imports in the price-sensitive segment, while most of its sales are in the product-sensitive segment, where import competition is lower and demand is limited. On this basis, the interested parties have requested that imports falling in the product-sensitive segment, priced between ₹600 and ₹900 per kg, be excluded from the subject imports.

Absence of volume injury

iv. While imports from the subject country increased up to 2023-24, they declined during the POI. Over the same period the production and domestic sales of the domestic industry increased multi-fold. The decline in the production and sales of the domestic industry during the POI as compared to the previous year is explained by the fact that demand for the subject goods also declined during that period. The contention that imports from the subject country continued to increase despite the presence of the domestic industry in the Indian market is factually incorrect.

v. The market share of the domestic industry has increased over the injury period, from an indexed level of 100 in the base year to 709 in the POI, since the increase in its domestic sales has outpaced the increase in demand. By contrast, the share of imports from the subject country in overall demand has increased by only about 11 indexed points as compared to the base year, while the share of imports from other countries has declined by 47 indexed points. The domestic industry is gradually taking command of the market and is commanding its maximum share as compared to the base year. There is accordingly no volume injury in absolute or relative terms.

Absence of price suppression or depression

vi. There exists no price suppression or depression on account of imports from the subject country. The domestic industry has been able to change its prices commensurate with changes in its cost of production. While the cost of sales increased from an indexed level of 79 in 2023-24 to 105 during the POI, the domestic industry was able to increase its selling price from 95 to 118 over the same period. The increase in selling price exceeded the increase in costs, which establishes that the imports did not prevent the domestic industry from increasing its prices.

vii. The selling price of the domestic industry has always been higher than its cost of sales throughout the injury period and the POI, despite the claim of being in a nascent stage. Further, while the landed price of imports declined from ₹2,23,831 per MT in 2021-22 to ₹1,57,409 per MT during the POI, the domestic industry increased its selling prices to the highest level in the injury period. Had the import prices exerted pressure on the domestic selling price, the domestic industry would not have been able to increase its prices. The domestic industry has maintained its pricing power and improved its financial performance.

Economic parameters do not indicate injury

viii. The economic parameters drawn from the domestic industry’s own evidence, including capacity, domestic sales, productivity and capital employed, have shown a positive trend over the injury period, which indicates the absence of injury.

ix. Profit before interest and tax has been positive for the domestic industry throughout the injury period and the POI, whereas profit before tax has been negative in the base year and the POI. Profit before interest and tax stood at 142 indexed points in the POI whereas profit before tax stood at (115) indexed points. This shows that the interest cost of the domestic industry is substantially high and is what has driven profit before tax into the negative in the POI.

x. Notwithstanding the claimed nascent stage, the cash profit of the domestic industry has grown substantially and has remained positive throughout the injury period and the POI, rising from 100 indexed points in the base year to 1,038 indexed points in the POI. The return on capital employed has likewise remained positive throughout, rising from 100 indexed points in the base year to 110 indexed points in the POI. To allege that imports are injuring an industry with these results is baseless.

xi. The capacity of the domestic industry remained constant throughout the injury period and the POI. Since the applicant is the sole producer of the subject goods in India, the production figures reported at different places in the petition ought to be consistent, and the Authority may verify the production data relied upon. Several key indicators improved during the injury period and therefore do not support a finding that the establishment of the industry was materially retarded or that it was materially injured.

The financial statements of the domestic industry do not disclose injury

xii. An evaluation of the financial statements of the domestic industry available on the records of the Ministry of Corporate Affairs shows that revenue from operations increased from ₹*** lakhs in FY 2021-22 to ₹*** lakhs in FY 2024-25, representing more than a ten-fold increase in turnover within a short span. Turnover was maintained at approximately ₹*** crores during FY 2023-24 and FY 2024-25, indicating the establishment of a stable customer base and sustained market demand.

xiii. The domestic industry has significantly improved its operational efficiency by reducing its material consumption cost by around 30% while maintaining a comparable level of sales, which demonstrates an ability to optimise production costs and improve cost management. Any alleged injury cannot therefore be attributed to the subject imports; rather, the domestic industry has benefited from improved operational efficiencies and lower input costs.

xiv. Although the domestic industry reported a net loss in FY 2024-25, its revenue remained stable at around ₹*** crores, which shows that the loss was not due to a fall in sales or demand. The loss appears to be attributable mainly to higher finance costs, depreciation expenses and inventory-related adjustments arising from the company's expansion and financing arrangements. Since sales remained steady, the core business continues to be operationally sound and commercially viable.

Non-attribution: injury, if any, is attributable to other factors

xv. Even assuming that the Authority were to find some adverse performance, the same cannot be attributed to the alleged dumped imports. Under Rule 11(2) read with Annexure II, the Authority is required to examine whether factors other than dumped imports have caused or contributed to the alleged injury.

xvi. The domestic industry has itself segmented the market and admitted that imports are majorly present in the price-sensitive segment while it sells mainly in the product-sensitive segment. Any inability to compete in the price-sensitive segment cannot, by itself, be attributed to dumped imports and is equally, if not more, the result of the domestic industry's own pricing structure, product mix and market positioning. The domestic industry's own explanation shows that the alleged price undercutting is being assessed by reference to different market segments, its selling price being higher because the majority of its sales pertain to the product-sensitive market whereas the majority of imports occur in the price-sensitive market. Such a comparison is not a like-to-like comparison and cannot establish that the subject imports are the cause of the alleged injury.

xvii. The domestic industry is a recently established entrant with a limited operational history and has achieved only a limited market share over the injury period. These are factors inherent in the establishment phase of a new industry and cannot, without more, be attributed to the alleged dumped imports.

xviii. The domestic industry's own financial data militate against a finding that the alleged injury is import-driven: while profit before interest and tax, cash profits and return on capital employed remain positive, profit before tax turns negative in the POI, which points to finance and interest costs rather than to any suppression of prices by the subject imports.

xix. The petition further records that the domestic industry stopped production whenever there were no orders and excess stock was available, and that the alleged lost contracts have been left unparticularised with liberty sought to furnish details later. These are self-standing operational and evidentiary issues which have not been isolated from the effect of the subject imports and which break the alleged causal link.

xx. The import segregation methodology adopted by the petitioner is itself subject to limitations, as transactions constituting 13.58% of the total number of transactions and 21.04% of the total CIF value could not be identified as PUC or NPUC, which materially affects the reliability of the import data relied upon.

H.2 Submissions of the domestic industry

68. The following submissions have been made by the domestic industry with regard to injury and causal link.

Material injury and material retardation can co-exist

i. The domestic industry commenced commercial production of the subject goods in January 2022 and, as at the end of the POI, possessed a 39-month operational history. Despite this it has achieved a market share of less than ***% of domestic demand over the injury period, and aggregate domestic sales of about ***MT against an aggregate production capacity of about ***MT. It is therefore not an established industry and qualifies as a nascent industry which, although it has begun commercial production, is yet to find its place in the market. The respondents themselves acknowledge these figures and yet contend that the domestic industry is fully established; the argument militates against the very facts they record.

ii. Both material injury and material retardation can co-exist under the Rules. In the anti-dumping investigation concerning imports of **Isobutylene-Isoprene Rubber (IIR)** from China PR, Russia, Saudi Arabia, Singapore and the United States of America, the Authority held that there is no bar under the law to simultaneously examine the three forms of injury, that the issue is well settled, and that it is an established practice to examine the performance of the domestic industry to the extent of its existence in material retardation cases by considering the very parameters that are considered in a material injury case. The Authority further held that it would be appropriate to consider the performance of the new industry and compare the same with the projections drawn, in order to ascertain whether its performance was injurious.

iii. The Authority is accordingly requested to examine the impact of imports in two ways, namely by comparing the actual performance of the domestic industry over the injury period, and by weighing the actual performance against the projected performance in the project report.

Exclusions are product-specific and not market-specific

iv. The request to exclude imports falling in the product-sensitive segment is based on a flawed understanding of the law on exclusions. Exclusions are product-specific and not market-specific; there can be no exclusion of a market as a whole, and such an argument is unknown to anti-dumping practice in India or globally.

v. There are two market segments for the PUC in India, namely a high-volume market which is price sensitive and a product-sensitive market which is less price sensitive. The distinction was drawn on the basis of pricing and import volumes; the product itself remains the same, being PVC and non-woven wallpapers of various designs and textures. The explanation was furnished to explain why the domestic industry was able to sell at a price higher than its cost of sales while its sales volumes remained very low, being unable to cater to the high-volume market. Catering to the high-volume segment would mean selling the PUC far below its raw material cost, which is not feasible for an enterprise in the MSME sector.

vi. In no sense did the domestic industry accept its ability to sell in the product-sensitive market as a favourable sign. What was conveyed is that, as a result of the presence of cheap imports, the domestic industry was forced to sell the majority of its production to customers in the segment which was less sensitive to price. There can be no exclusion of products which the domestic industry is in fact manufacturing and supplying.

Volume injury

vii. The demand for the PUC in India was met entirely by imports until January 2022, as there was no domestic producer. Imports from the subject country increased in absolute terms over the injury period, with only a marginal decline in the POI, notwithstanding the establishment of new capacity in India. Generally, imports decline when new capacity is installed; in the present case they increased.

viii. Imports from the subject country have remained significant relative to demand and to Indian production throughout the injury period, and increased in the POI. The domestic production fell significantly in the POI as compared to the previous year, whereas the subject imports fell only marginally. A bare look at the meagre quantum of production and sales achieved by the domestic industry over four years is sufficient to demonstrate injury. The increasing trend in domestic production and sales is a consequence of the base-year effect, the base year comprising only three months of operation.

ix. The market share of the domestic industry has remained in the range of ***% throughout the injury period including the POI, while the subject imports have retained a predominant share and increased that share during the POI. The reliance on an increase in the indexed market share of the domestic industry from 100 to 709 is not a sign of growth but of a low base-year effect. Despite having the capacity to cater to approximately ***% of Indian demand, the capacity utilisation of the domestic industry has remained between ***% and ***% throughout the injury period, far below the levels projected in the project report.

Price injury

x. The landed price of the subject imports is significantly below the selling price of the domestic industry, resulting in significant price undercutting. The imports are also entering at prices below the non-injurious price of the domestic industry, resulting in significant price underselling, and are preventing the domestic industry from achieving a fair selling price.

xi. The landed prices of the subject imports are not only below the selling price of the domestic industry but also below its cost of sales, thereby depressing its prices and preventing it from making sales in the volume-based market. The landed price of imports has fallen from about ₹223 per kg in the base year to about ₹157 per kg in the POI, which is below the cost of the basic raw material of the domestic industry: while base paper ranges between ₹200 and ₹250 per kg, the landed price of the finished imported wallpaper is only about ₹157 per kg. There can be no logical progression by which the price of the finished product falls below the price of its principal raw material, and this demonstrates the pricing behaviour of the Chinese producers and exporters.

Economic parameters

xii. The domestic industry incurred losses in 2021-22, experienced some profitability during 2022-23 and 2023-24 on account of sales to customers in the product-sensitive market, and that profitability was ultimately wiped out in the POI. Earning meagre profits is not a sign of health; profits must be sufficient to keep the company afloat and to help it expand and gain market share. Return on capital employed has remained severely low throughout the injury period. The domestic industry has seen negative growth in the POI across its economic parameters, and the loss in the POI is a clear sign of injury.

xiii. The interest cost is about ₹*** lakhs during the POI, being about ***% of the total cost of sales, and cannot be treated as the reason for injury. Almost the entire capacity of the domestic industry is lying idle despite significant demand for the PUC in India.

Analysis of the financial statements

xiv. The respondents are reading the financial parameters selectively. They have themselves accepted that the domestic industry suffered a net loss in the POI. The reason for the loss is not finance and depreciation cost, which are meagre in absolute terms; the finance cost has in fact declined in the POI as compared to FY 2023-24, and the depreciation cost has remained almost stagnant over the same period. Neither parameter can explain the conversion of a profit of ₹*** lakhs in FY 2023-24 into a loss in the POI.

xv. The loss is attributable to the dumped subject imports and in particular to the low volume of sales, because the domestic industry cannot compete with prices far below its own raw material cost. A low level of sales means that the domestic industry is unable to achieve break-even, because the import prices are below its variable cost of production; were it to sell at import prices, its losses would increase, as it would not recover even its variable cost. The imports have not permitted the domestic industry to meet its variable cost, let alone to increase volumes so as to reduce its per unit fixed cost.

Causal link

xvi. Imports from the subject country constitute about 88% of total imports into India in the POI. Imports from Korea exceed 3% but are not at dumped prices, and the import volumes from other countries individually are below de minimis and cannot be a cause of injury.

xvii. Demand for the PUC has consistently increased over the injury period with a slight decline in the POI, while the domestic industry continues to operate with considerable unutilised capacity, indicating that the injury is not demand-driven. The domestic industry has not exported the PUC, so the injury cannot be attributed to export performance. There has been no change in technology. The domestic industry is majorly involved only in the production and sale of the PUC, and the injury claimed pertains to the PUC alone. There are no trade restrictive practices germane to the injury suffered.

xviii. It is not a matter of the domestic industry's choice of market positioning but a matter of compulsion that it is forced to sell only to customers in the product-sensitive market. The product in both markets remains the same. It is not a question of product mix, pricing strategy or market positioning; it is a matter of imports not permitting the domestic industry to cater to the market where volumes can be achieved at prices which meet its variable and fixed costs.

H.3 Examination by the Authority

69. Rule 11 of the Anti-Dumping Rules read with Annexure II provides that an injury determination shall involve an 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 necessary to examine whether there has been 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 to 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, indices having a bearing on the state of the industry, such as production, capacity utilisation, sales volume, inventory, profitability, net sales realisation and the magnitude of the margin of dumping, have been considered in accordance with Annexure II.

70. The Authority has examined the arguments and counter-arguments of the interested parties with regard to injury. The analysis made hereunder addresses the various submissions made by all the interested parties.

71. The Authority notes that some parameters of the domestic industry have improved, while others have deteriorated. Injury cannot be decided on the basis of any one parameter alone. The Authority must examine all relevant factors together. Improvement in some parameters does not rule out injury if the overall performance shows injury; similarly, deterioration in a few parameters does not establish injury if the overall assessment shows otherwise.

72. The Authority further notes that the injury period in the present case begins with a base year, 2021-22, in which the domestic industry was in operation for only three months, commercial production having commenced in January 2022. Indices computed on such a base carry a mechanical distortion, in that any subsequent full year of operation will necessarily record a very large indexed increase over a three-month base. The Authority has therefore set out the actual reported figures for each period alongside the indices, and has placed reliance principally upon the absolute levels attained and upon the movement between the later periods, rather than upon the index computed against the truncated base year.

H.3.1 Nature of the injury examination

73. The interested parties have argued that material injury and material retardation should not be recorded together for the same industry. The Authority has reconsidered this objection in the light of the post-disclosure comments. Rule 11 distinguishes injury to an established industry from retardation of the establishment of an industry. In the present case, the domestic industry had commenced commercial production in January 2022 and had completed about 39 months of operations by the end of the POI. Its actual production, sales, prices, profitability and other economic parameters are available for examination. The Authority therefore considers material injury to be the appropriate basis for the final injury determination in this case. It is not necessary to decide, as a general proposition, whether different forms of injury can ever be examined together.

74. The Authority has assessed material injury by examining the domestic industry's actual performance over the injury period under Rule 11 and Annexure II. The project report has also been considered as background to the investment and expected scale of operations. However, projected performance is not a guaranteed outcome or, by itself, proof of material retardation caused by dumped imports. The Authority's final determination is therefore based on the verified material-injury parameters; the project comparison is discussed separately only for context in Section H.3.5.

H.3.2 Volume effect of the dumped imports

i. Assessment of demand (apparent consumption)

75. The Authority has defined demand or apparent consumption of the product in India as the sum of the domestic sales of the Indian producer and imports from all sources. The demand so assessed is given in the table below.

SN	Particulars	Unit	2021-22	2022-23	2023-24	POI
1	Imports from Subject country	MT	3,265	3,514	4,431	3,931
2	Imports from Other countries	MT	477	904	1,282	373

3	Total Imports	MT	3,742	4,418	5,713	4,304
4	Sales of the domestic industry	MT	***	***	***	***
	Trend	Indexed	100	654	781	776
5	Sales of other domestic producers	MT	-	-	-	-
6	**Indian Demand**	**MT**	***	***	***	***
	Trend	Indexed	100	119	154	117
7	Indian Production	MT	***	***	***	***
	Trend	Indexed	100	771	656	426
	Subject countries import in relation to -					
8	Indian Demand	%	***	***	***	***
	Trend	Indexed	100	90	88	103
9	Indian Production	%	***	***	***	***
	Trend	Indexed	100	14	21	28

76. The Authority notes that demand for the subject goods increased during the injury period up to 2023-24 and declined during the POI, while remaining above the base-year level.

ii. **Imports in absolute and relative terms**

77. With regard to the volume of dumped imports, it is required to be considered whether there has been a significant increase in the dumped imports either in absolute terms or relative to production or consumption in India. The volume of imports over the injury period was as follows.

SN	Particulars	Unit	2021-22	2022-23	2023-24	POI
1	Subject imports	MT	3,265	3,514	4,431	3,931
2	Demand	MT	***	***	***	***
3	Indian production	MT	***	***	***	***
4	Subject imports in relation to demand	%	***	***	***	***
	Trend	Indexed	100	90	88	103
5	Subject imports in relation to Indian production	%	***	***	***	***
	Trend	Indexed	100	14	21	28
6	Subject imports in relation to total imports	%	87	80	78	91

78. The Authority notes that although the volume of subject imports declined during the POI compared to the immediately preceding year, the decline was significantly lower than the contemporaneous contraction in Indian demand. Consequently, the share of subject imports in Indian demand increased during the POI. Subject imports also continued to account for an overwhelming share of total imports into India and remained the predominant source of supply in the Indian market.

79. The Authority further notes that subject imports remained many times higher than Indian production throughout the injury period. Since the domestic industry had operated only for a part of the base year, the ratio of subject imports to Indian production in that year is not considered representative. However, even when the subsequent periods are examined, the ratio of subject imports to Indian production increased significantly during the POI, reflecting the continuing and substantial presence of subject imports vis-à-vis domestic production.

80. Accordingly, the contention that there is no volume injury merely because subject imports declined in absolute terms during the POI is not borne out by the data. Where imports decline less sharply than demand, their relative presence in the market increases. In the present case, subject imports gained share in Indian demand during the POI and continued to dominate both total imports and domestic production. The Authority therefore considers that the volume effect of the subject imports remained significant during the POI.

iii. **Market share in demand**

81. The market share of the subject imports, the domestic industry and imports from other countries over the injury period was as under.

Market share of	Unit	2021-22	2022-23	2023-24	POI
Domestic industry	%	***	***	***	***
Trend	Indexed	100	547	506	665
Subject country	%	87%	78%	77%	90%
Other countries	%	13%	20%	22%	9%

82. The Authority notes that the dumped imports command a predominant share of the Indian market in every period of the injury investigation. The share of the domestic industry has risen in indexed terms, but it must be seen in absolute terms: the domestic industry held ***% of the Indian market in the base year and only ***% in the period of investigation. An industry which holds under ***% of its home market at the end of the injury period, while possessing installed capacity equivalent to about ***% of that market, cannot be said to have established itself. The Authority further notes that imports from other countries accounted for 22% of demand in 2023-24 and 9% in the period of investigation, whereas the subject country continued to account for 90% of demand in the POI.

H.3.3 Price effect of the dumped imports

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

i. **Price undercutting**

84. For the purpose of the price undercutting analysis, the net sales realisation of the domestic industry has been compared with the landed price of imports from the subject country.

Particulars	Unit	Subject country
Net sales realisation	USD/MT	***
Landed price	USD/MT	2,020
Price undercutting	USD/MT	***
Price undercutting	%	***
Price undercutting	Range	370-380%

85. The price undercutting is positive and is of a very large magnitude. The Authority has examined the objection of the interested parties that this comparison is not a like-to-like comparison, in that the domestic industry sells predominantly in what it describes as the product-sensitive segment while the imports are concentrated in the price-sensitive segment, and that the comparison therefore proves nothing about the effect of the imports.

86. The Authority notes that the price undercutting of about ***% should not be treated as showing the price at which the domestic industry could have sold its goods in the absence of imports. The domestic industry sells about *** MT at an average price of about ₹*** per kg, mainly in a higher-value segment based on developed and catalogued designs, whereas the subject imports enter India at a landed price of about ₹173 per kg. Since these prices relate to different commercial segments of the market, the undercutting percentage cannot be viewed as a direct like-for-like measure of the price at which the domestic industry would otherwise have sold its goods.

87. The Authority, however, does not accept the conclusion which the interested parties seek to draw from the objection. The relevant question under Annexure II is not merely whether undercutting exists on an arithmetic comparison, but whether the effect of the imports is to depress prices or to prevent price increases which otherwise would have occurred. The reason the domestic industry sells only about ***MT into a market of about ***MT, at a realisation far above the landed price of imports, is itself the fact requiring examination. On the record before the Authority, the landed price of the subject imports during the period of investigation, at about ₹173 per kg, is below the price of the base paper which is the principal raw material for the like article, which the domestic industry has stated to range between ₹200 and ₹250 per kg, and which the interested parties have not controverted with any evidence. A producer cannot sell a finished wallpaper at a price below the cost of the substrate from which it is made. The consequence is not that the domestic industry reduces its price to the level of the imports, but that it is confined to that narrow part of the market where price is not the governing consideration.

88. The Authority therefore treats the undercutting figure as establishing that the subject imports are available in the Indian market at a small fraction of the price at which the domestic industry sells, and proceeds to examine the effect of that fact on the volumes, prices and profitability of the domestic industry, rather than treating the arithmetic percentage as itself a measure of injury.

ii. **Price suppression and depression**

89. In order to determine whether the dumped imports are depressing the domestic prices to a significant degree, or whether the effect of such imports is to suppress prices to a significant degree or to prevent price increases which otherwise would have occurred in the normal course, the Authority has examined the changes in the cost of sales and the net sales realisation of the domestic industry over the injury period.

SN	Particulars	Unit	2021-22	2022-23	2023-24	POI
1	Cost of Sales	Rs/MT	***	***	***	***
	Trend	Indexed	100	85	79	106
2	Selling Price	Rs/MT	***	***	***	***
	Trend	Indexed	100	99	95	118
3	Landed Price	Rs/MT	2,27,829	2,25,142	1,92,271	1,72,555
	Increase/(decrease)					
4	Cost of Sales	Rs/MT		***	***	***
5	Selling Price	Rs/MT		***	***	***
6	Landed Price	Rs/MT		***	***	***

90. The Authority notes that the landed price of the subject imports has declined steadily and materially over the injury period, by 24% between the base year and the period of investigation, and that in every period it has remained far below both the cost of sales and the selling price of the domestic industry.

91. The interested parties have relied upon the fact that the selling price of the domestic industry rose from an indexed level of 95 in 2023-24 to 118 in the period of investigation. The updated data show, however, that the cost of sales rose from an indexed level of 79 to 106 over the same interval. In absolute terms, the cost of sales in the period of investigation stood at ₹*** per MT while the selling price stood at ₹*** per MT, resulting in a loss of ₹***per MT. In 2023-24 the domestic industry had earned ₹***per MT. Thus, while the domestic industry increased its selling price, the increase was insufficient to absorb the sharper rise in its cost of sales, and the industry moved from profit into loss.

92. The Authority notes that the domestic industry's cost of sales is significantly affected by its very low production volumes, as fixed costs of its ***MT capacity are spread over production of only about ***MT. The decline in production during the POI further increased the per-unit cost. By restricting the domestic industry to a very small share of the market, the subject imports have limited its ability to achieve efficient production volumes and have thereby contributed to higher costs and to significant price depression and suppression in the POI as compared to previous year.

H.3.4 Economic parameters of the domestic industry

93. Annexure II to the Rules requires that the determination of injury shall involve an objective examination of the consequent impact of the dumped imports on the domestic producers of the subject goods. The examination is to 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 utilisation of capacity, factors affecting domestic prices, and actual and potential negative effects on cash flow, inventories, employment, wages, growth and ability to raise capital investments. The performance of the domestic industry has accordingly been examined over the injury period.

i. Capacity, production, capacity utilisation and sales

SN	Particulars	Unit	2021-22	2022-23	2023-24	POI
1	Capacity	MT	****	***	***	***
	Trend	Indexed	100	400	400	400
2	Production PUC	MT	***	***	***	***
	Trend	Indexed	100	771	656	426
3	Capacity Utilization	%	***	***	***	***
	Trend	Indexed	100	193	164	106
4	Domestic sales	*MT*	***	***	***	***
	Trend	Indexed	100	654	781	776

*The capacity for 2021-22 is stated for the three-month period from January 2022, commercial production having commenced in that month.

94. The Authority notes that the installed capacity of the domestic industry has remained unchanged since 2022-23 and is substantial in relation to Indian demand. However, the domestic industry has operated at a very low level of capacity utilisation throughout the relevant period. Production declined successively after 2022-23 and fell further during the POI, while capacity utilisation also declined during the POI and remained at a very low level.

95. The Authority notes that the increase in production and sales reflected by the indexed trends is influenced by the truncated base year, during which the domestic industry operated for only three months. The more relevant movement is therefore the performance in the subsequent periods. On this basis, production declined in each successive period after 2022-23, while domestic sales, after increasing initially, remained broadly stagnant during the POI. Thus, the

domestic industry was unable to translate its available capacity into commensurate production and sales, and continued to operate at a very low level of capacity utilisation. The volume parameters therefore indicate weakening performance rather than sustained growth during the POI.

ii. Inventories

Particulars	Unit	2021-22	2022-23	2023-24	POI
Opening inventory	MT	***	***	***	***
Closing inventory	MT	***	***	***	***
Average inventory	MT	***	***	***	***
Trend	Indexed	100	288	515	502

96. The Authority notes that the average inventory of the domestic industry has increased five-fold over the injury period and that, in the period of investigation, the average inventory carried by the domestic industry exceeded its entire annual production. The reduction in closing inventory during the period of investigation was achieved against a production which had fallen by 35%. The Authority notes that the domestic industry has stated that it stopped production whenever there were no orders and excess stock was available; the inventory position bears out that statement and is a consequence of, and not an answer to, the volume position examined above.

iii. Employment, productivity and wages

SN	Particulars	Unit	2021-22	2022-23	2023-24	POI
1	Employees	Nos	***	***	***	***
	Trend	Indexed	100	100	100	100
2	Salary and wages	₹ lakhs	***	***	***	***
	Trend	Indexed	100	912	566	512
3	Productivity per employee	MT/No.	***	***	***	***
	Trend	Indexed	100	771	656	426

97. The Authority notes that the number of employees has remained constant at *** throughout the injury period, which is itself a consequence of the very small scale at which the plant has operated. Productivity per employee has declined from *** MT in 2022-23 to *** MT in the period of investigation, in line with the decline in production, and salaries and wages have declined by ***% over the same interval. The domestic industry has not claimed injury on account of employment.

iv. Profits, cash profits and return on capital employed

SN	Particulars	Unit	2021-22	2022-23	2023-24	POI
1	Cost of sales	₹/MT	***	***	***	***
	Trend	Indexed	100	85	79	106
2	Selling price	₹/MT	***	***	***	***
	Trend	Indexed	100	99	95	118
3	Profit / (loss)	₹/MT	***	***	***	***
	Trend	Indexed	-100	15	36	-21
4	Profit / (loss) before tax	₹ lakhs	***	***	***	***
	Trend	Indexed	-100	96	283	-161

5	Profit before interest and tax	₹ lakhs	***	***	***	***
	Trend	Indexed	100	716	978	532
6	Cash profit	₹ lakhs	***	***	***	***
	Trend	Indexed	100	6,635	8,898	4,176
7	Return on capital employed	%	***	***	***	***
	Trend	Indexed	100	467	613	402

98. The Authority notes that the profitability of the domestic industry improved after the base year and remained positive during the intermediate periods. However, this improvement was not sustained during the POI. The domestic industry returned to losses on a per-unit basis as well as at the profit-before-tax level during the POI. Cash profit also declined sharply, while return on capital employed deteriorated compared to the immediately preceding year. Thus, the profitability parameters show a clear weakening in the financial performance of the domestic industry during the POI.

99. The interested parties have contended that profit before interest and tax remained positive, that cash profits and return on capital employed were also positive, and that the loss before tax during the POI was therefore attributable primarily to financing costs rather than to subject imports. The Authority has examined this contention in light of the audited financial information on record. It is observed that, notwithstanding the continued positive PBIT and cash profit, the domestic industry experienced a significant decline in profitability, cash generation and return on capital employed during the POI. The deterioration is therefore evident across multiple financial indicators and cannot be assessed solely with reference to the existence of positive PBIT.

Financial data of the domestic industry (₹ lakhs)

Particulars	Unit	2021-22	2022-23	2023-24	POI
Revenue from operations	₹ lakhs	***	***	***	***
Cost of materials consumed	₹ lakhs	***	***	***	***
Changes in inventories	₹ lakhs	***	***	***	***
Employee benefit expenses	₹ lakhs	***	***	***	***
Finance cost	₹ lakhs	***	***	***	***
Depreciation	₹ lakhs	***	***	***	***
Other expenses	₹ lakhs	***	***	***	***
Profit / (loss) before tax	₹ lakhs	***	***	***	***

100. The Authority notes that the finance cost of the domestic industry declined from ₹*** lakhs in 2023-24 to ₹*** lakhs in the period of investigation, and that the depreciation charge remained essentially unchanged at ₹*** lakhs and ₹*** lakhs respectively. Neither item increased in the period in which the domestic industry moved from profit into loss. A cost which has fallen cannot explain a deterioration in the result to which it contributes. The contention that the loss in the period of investigation is attributable to finance and depreciation costs is therefore not borne out by the data, and is not accepted.

101. The Authority further notes that the reliance placed by the interested parties on the growth in revenue from ₹*** lakhs to ₹*** lakhs, and on the reduction in the cost of materials consumed, does not assist them. The revenue growth is measured against a base year of three months. Revenue was flat between 2023-24 and the period of investigation at approximately ₹***

crores, while the cost of materials consumed fell from ₹*** lakhs to ₹*** lakhs. That fall is not, as the interested parties suggest, evidence of improved operational efficiency; it is the arithmetic consequence of a ***% reduction in production, accompanied by a swing in inventories from a build-up of ₹***lakhs to a drawdown of ₹***lakhs, which shows that the domestic industry met its sales in the period of investigation substantially out of stock rather than out of current production.

102. As regards the positive profit before interest and tax and the positive return on capital employed, the Authority notes that these are computed on a capital base which reflects an investment sized for ***MT of annual production, against which the domestic industry produced only ***MT. A return of ***% on capital employed and a profit before interest and tax of ₹***lakhs are not indicative of a healthy industry when set against an entity which is unable to recover its cost of sales, whose production has declined by about ***% since 2022-23, and whose capacity lies about ***% idle.

v. Growth

SN	Particulars	Unit	2021-22	2022-23	2023-24	POI
1	Production (MT)	Y/Y (%)	-	671.11	-14.95	-35.05
2	Domestic Sales (MT)	Y/Y (%)	-	553.95	19.37	-0.54
3	PBT (Rs Lacs)	Y/Y (%)	-	NM	194.35	NM
4	Inventory (MT)	Y/Y (%)	-	187.51	79.26	-2.67
5	Market Share (%)	Y/Y (%)	-	447.40	-7.60	31.49
6	Cash Profit (Rs Lacs)	Y/Y (%)	-	6,534.64	34.11	-53.07
7	ROI (%)	Y/Y (%)	-	366.57	31.30	-34.45

103. The Authority notes that the domestic industry recorded strong growth in production and domestic sales in the initial full year following commencement of operations, a result magnified by the three-month base year. Production thereafter declined by 14.95% in 2023-24 and by a further 35.05% in the POI. Domestic sales increased by 19.37% in 2023-24 and were broadly stable in the POI, declining by 0.54%. Profit before tax improved from a loss in 2021-22 to a profit in 2022-23 and increased further in 2023-24, before reversing to a loss in the POI; accordingly, a conventional year-on-year percentage is shown as ‘NM’ where the sign changes. Cash profit and return on capital employed declined by 53.07% and 34.45% respectively in the POI. Average inventories declined by 2.67%, while market share increased by 31.49%. Overall, the POI shows deterioration in production and profitability notwithstanding broadly stable sales volumes and an improvement in market share.

vi. Ability to raise capital investment

104. The Authority notes that the domestic industry made its investment in the manufacturing unit at Taloja and commenced commercial production in January 2022. The plant has since operated at a capacity utilisation which has not exceeded ***%, the domestic industry has been unable to recover its cost of sales in the period of investigation, and its cash profits have more than halved. In these circumstances the domestic industry is not in a position to make fresh investment in the product under consideration, and the ability of the domestic industry to raise capital investment has been adversely affected.

vii. Magnitude of the dumping margin

105. The Authority notes that the weighted dumping margin is positive, significant and above de minimis for Jiangxi Casawall, Jiangxi Zhuoya and for rest of the producers of the subject country.

viii. Factors affecting prices

106. The Authority notes that the subject imports account for about 90% (89.75%) of the Indian market during the period of investigation and are therefore the price-setting force in that market. The domestic industry, holding under ***% of the market, is a price taker in every commercial sense. The landed price of the subject imports has declined by 24% over the injury period and, during the period of investigation, stood below the price of the principal raw material required to manufacture the like article. In these circumstances, the domestic industry has not been able to increase its prices in response to the increase in its costs, and its prices have been depressed and its price increases prevented by the subject imports.

H.3.5 Contextual comparison with project projections

107. The Authority has also examined the domestic industry's actual performance against the projections in the project report prepared at the time of investment. This comparison provides context regarding the planned scale of operations. It is not used as a separate test or determination of material retardation.

Actual performance compared with project projections (POI)

Particulars	Unit	Projected*	Actual#	Actual as % of projected
Production	MT	***	***	***
Domestic sales	MT	***	***	***
Sales value	₹ lakhs	***	***	***
Profit before tax	₹ lakhs	***	***	***
Profit before interest and tax	₹ lakhs	***	***	***
Cash profit	₹ lakhs	***	***	***

*(*as per Project Report of the Domestic Industry*)
#(*as per actual figures mentioned in Annexure IV-A of the Domestic Industry*)

108. The domestic industry achieved ***% of projected production, ***% of projected domestic sales and ***% of projected sales value, and incurred a loss against the projected profit before tax. These differences show that actual operations remained well below the planned scale. However, the project figures are business projections, and the gap alone does not establish that dumped imports materially retarded the establishment of the industry. The domestic industry had already been manufacturing and selling the like article for about 39 months by the end of the POI. Its actual economic performance and the injury caused by dumped imports have been assessed under material injury. Accordingly, the claim of material retardation is not independently established on the present record and is not accepted.

H.3.6 Conclusion on injury

109. On a cumulative assessment of the parameters examined above, the Authority notes as follows:
   i. The subject imports have increased in absolute terms over the injury period and, in the period of investigation, have declined by materially less than the contemporaneous decline in demand, so that their share of the Indian market stood at 90%.
   ii. The landed price of the subject imports has declined by 24% over the injury period and stands below the price of the principal raw material of the like article.
   iii. The domestic industry has been confined to a market share below ***% and to capacity utilisation below ***% throughout the injury period, and its production has declined by about ***% from ***MT in 2022-23 to ***MT in the period of investigation.

iv. The domestic industry moved from a profit of ₹***per MT in 2023-24 to a loss of ₹***per MT in the period of investigation, its cash profits more than halved and its return on capital employed declined, in a period in which its finance cost fell and its depreciation cost was flat.

v. The domestic industry operated far below its installed capacity. The gap between its actual performance and the project projections has been considered as contextual information and not as a separate finding of material retardation.

110. On an overall examination of the volume and price effects of dumped imports and the consequent impact on the domestic industry's economic parameters, the Authority concludes that the domestic industry has suffered material injury during the POI. The claim of material retardation is not independently established and is not accepted.

I. CAUSAL LINK AND NON-ATTRIBUTION ANALYSIS

111. Having examined the existence of injury and the volume and price effects of the dumped imports, the Authority has examined whether the injury to the domestic industry can be attributed to any factor other than the dumped imports, as listed under the Rules.

i. Volume and value of imports from third countries

112. Imports from countries other than the subject country declined from 1,282.07 MT in 2023-24 to 372.84 MT in the period of investigation, and their share of demand fell from 22.14% to 8.51%. The principal non-subject sources entered at prices materially higher than the subject imports. The injury to the domestic industry cannot be attributed to imports from third countries, whose volume and market share both contracted sharply in the period in which the domestic industry moved into loss.

ii. Contraction in demand

113. Demand for the subject goods declined from *** MT in 2023-24 to *** MT in the period of investigation, while remaining about 17% above the base year. The Authority notes that demand in the period of investigation was substantially in excess of the entire installed capacity of the domestic industry of ***MT. An industry which cannot sell about *** MT into a market of about ***MT is not constrained by the size of the market. The injury to the domestic industry is therefore not attributable to a contraction in demand.

iii. Pattern of consumption

114. No change in the pattern of consumption of the subject goods has been identified by any interested party which could have caused injury to the domestic industry.

iv. Conditions of competition and trade restrictive practices

115. There are no trade restrictive practices or conditions of competition which may have caused injury to the domestic industry.

v. Developments in technology

116. The investigation has not revealed any change in technology which could have led to obsolescence of the technology held by the domestic industry. The domestic industry operates rotogravure and screen-printing lines which are the technologies in commercial use for the manufacture of the like article.

vi. Productivity

117. The productivity per employee of the domestic industry has declined in line with its production. The decline in productivity is a consequence of the fall in production and not an independent cause of injury.

vii. Export performance of the domestic industry

118. The domestic industry has not exported the product under consideration during the injury period. The injury examined above relates only to its performance in the domestic market, and cannot be attributed to export performance.

viii. Performance of other products

119. The domestic industry is engaged principally in the production and sale of the product under consideration, and has segregated and furnished information in respect of the like article. The injury examined cannot be attributed to the performance of other products.

ix. Nascent stage of operations and financing structure

120. The Authority has examined the respondents' claim that the domestic industry's low market share and profitability are due to its establishment stage and that its POI loss is due to finance costs. The domestic industry had completed 39 months of operations, yet its production continued to decline after 2022-23. Finance costs fell and depreciation remained almost unchanged during the POI. The increase in cost of sales per unit was mainly due to lower production, which increased fixed costs per unit, and the use of existing inventories to maintain sales. The respondents' contentions are therefore not accepted.

x. Product segmentation, pricing structure and market positioning of the domestic industry

121. The interested parties have contended that the inability of the domestic industry to compete in the price-sensitive segment is the result of its own pricing structure, product mix and market positioning. The Authority notes that the segmentation on which this contention rests is one which the domestic industry itself described, and that the description was offered to explain why its realisation is higher than the landed price of imports while its volumes remain negligible.

122. The Authority does not accept that the segmentation constitutes an independent cause of injury. On the record, the landed price of the subject imports in the period of investigation was below the cost of the base paper required to manufacture the like article. Where imports are available at a price below the cost of the principal input, no domestic producer can compete for that part of the market, whatever its pricing structure or market positioning may be. The confinement of the domestic industry to the narrow segment in which price is not the governing consideration is therefore the effect of the dumped imports and not an independent cause operating alongside them. The Authority also notes that the interested parties have not identified any specific element of the domestic industry's pricing structure or product mix, nor placed any evidence of it on record.

123. The related request that imports in the "product-sensitive" range of ₹600 to ₹900 per kg be excluded from the subject imports is not accepted. Injury is examined by reference to the dumped imports of the product under consideration as a whole. An exclusion of imports by reference to a price band is neither a product exclusion nor a recognised method of defining the subject imports, and would have the effect of excluding from examination precisely those imports which compete most directly with the sales the domestic industry is able to make.

xi. Reliability of the import data

124. The interested parties have contended that a substantial portion of the import data remains unclassified. The Authority notes that this criticism is directed at the compilation filed by the domestic industry, upon which the Authority has not relied. The Authority has relied upon the transaction-wise data received from DG Systems, which it has independently examined and classified as PUC, NPUC or not identifiable, and the volumes set out in these final findings are drawn from that exercise.

Factors affecting causal link

125. The Authority notes the following factors which establish the causal link between the dumped imports and the injury to the domestic industry:

i. The subject imports have increased in absolute terms over the injury period and have declined in the period of investigation by materially less than the contemporaneous contraction in demand, accounting for ***% of the Indian market in the POI.

ii. The landed price of the subject imports has declined by 24% over the injury period and, in the period of investigation, stood below the price of the base paper which is the principal raw material of the like article.

iii. The dumped imports have depressed the prices of the domestic industry and prevented price increases which would otherwise have occurred, the domestic industry having been unable to raise its price sufficiently to recover the increase in its cost of sales.

iv. The domestic industry moved from a profit of ₹*** per MT in 2023-24 to a loss of ₹***per MT in the period of investigation, its cash profits more than halved and its return on capital employed declined, in a period in which its finance cost fell and its depreciation charge remained flat.

v. The domestic industry has remained at a market share below ***% and capacity utilisation below ***% throughout the injury period, with production and profitability deteriorating in the POI.

vi. After examining the other known factors separately, the Authority finds that they do not explain away the material injury caused by the dumped subject imports. The causal link between the dumped imports and material injury is established.

126. For the reasons set out above, the Authority has separately considered the nascent stage of operations, financing, product segmentation and market positioning, contraction in demand, imports from third countries and reliability of import data. Injury attributable to those factors has not been attributed to the dumped imports. The Authority concludes that the dumped imports have caused material injury to the domestic industry.

J. MAGNITUDE OF INJURY MARGIN

127. The Authority has determined the non-injurious price for the domestic industry on the basis of the principles laid down in the Rules read with Annexure III, as amended. The non-injurious price of the subject goods has been determined by adopting the information and data relating to the cost of production for the period of investigation. For determining the non-injurious price, the best utilisation of raw materials, utilities and production capacity by the domestic industry over the period of investigation and the preceding three years has been considered. It has been ensured that no extraordinary or non-recurring expense has been charged to the cost of production. A reasonable return of 22% (pre-tax) on the average capital employed, being average net fixed assets plus average working capital, for the product under consideration has been allowed as pre-tax profit to arrive at the non-injurious price, as prescribed in Annexure III.

128. The landed price for the cooperating producers has been determined on the basis of the data furnished by them, as mentioned in relevant paras above. For the non-cooperating producers and exporters, the landed price has been determined on the basis of the facts available, on the basis of the transaction-wise import data received from DG Systems for the period of investigation.

129. The injury margin has been determined for each product control number by comparing the non-injurious price with the landed value, and the margins so determined have been weighted by the producer-specific volume of imports under each PCN. The injury margin so determined has been given in the table below.

Injury Margin

Producer	PCN	Quantity (MT)	Non-Injurious Price (US$/MT)	Landed Value (US$/MT)	Injury Margin (US$/MT)	Injury Margin (%)	Range %
Jiangxi Casawall	Non-woven	***	***	***	***	***	100-110
	PVC	***	***	***	***	***	90-100
	Weighted	***	***	***	***	***	**90-100**
Jiangxi Zhuoya	Non-woven	***	***	***	***	***	0-10
	PVC	***	***	***	***	***	70-80
	Weighted	***	***	***	***	***	**40-50**
Any Other		***	***	***	***	***	160-170

130. The injury margin is positive and significant.

K. IMPACT ASSESSMENT

Public interest and Domestic Industry Interest

K.1 Submissions of the other interested parties

131. The following submissions have been made by the other interested parties with regard to the Indian industry's interest and public interest:

i. The domestic industry does not have sufficient capacity to cater to the demand of the country, and the users therefore rely upon imports to fill the demand-supply gap. The domestic industry is a recently established entrant with a small share of the market, and the imposition of duty would restrict the availability of the product for genuine end users.

ii. The importers undertake considerable value addition before the goods reach the end customer, incurring significant expenditure on product design, purchase of designs from independent design studios, conversion of designs into technical output for printing cylinders, catalogue development, marketing materials and customer outreach. Wallpapers are not simply imported and resold, and the imposition of duty would fall upon that value-adding activity.

iii. The facts of the case do not warrant the recommendation of definitive anti-dumping duties. The domestic industry is running in profits at the level of profit before interest and tax, has no cash losses, has a positive return on capital employed, and has captured a substantial market share despite being in its claimed nascent stage. The investigation ought to be terminated as the domestic industry has failed to establish a causal link between the alleged dumped imports and the injury claimed.

K.2 Submissions of the domestic industry

132. The following submissions have been made by the domestic industry with regard to the Indian industry's interest and public interest:

i. The domestic industry is a micro enterprise under the Micro, Small and Medium Enterprises Development Act, 2006, which commenced production of the PUC in 2022. There is no other domestic producer of the PUC in India, and prior to the establishment of its facility the user industry was entirely dependent on imports. It is in the public interest that a domestic producer be encouraged to establish itself in a market which is import-driven, consistent with the "Make in India" initiative.

ii. The PUC is used for decorative purposes on the walls of residential and commercial buildings, and the cost of wallpaper is a very small component of the cost of the end product. Taking a residential house of 1,250 square feet and a commercial building of 2,000 square feet, and assuming an anti-dumping duty as high as 100%, the resulting increase in cost works out to a negligible proportion of the total cost of the space over the five-year life of the wallpaper. Even on that assumption the impact can readily be absorbed.

iii. At the oral hearing the importer and user association admitted that while the PUC is imported at about US$2, it is sold at around US$9 by the importers and traders, and the PUC is sold at retail by dealers at ₹1,500 to ₹1,800 per roll, a roll weighing approximately one kilogram. The imposition of anti-dumping duty is therefore not going to affect retail prices for end users or home buyers, and will only reduce the margins of traders who presently benefit from dumping.

iv. In the absence of anti-dumping duty, the user industry will continue to resort to cheap imports of the PUC to earn large profits, leading to continued injury to the domestic industry. The imposition of duty is necessary to protect the domestic industry and to encourage other manufacturers to engage in production of the PUC so that India becomes import-independent.

K.3 Examination by the Authority

133. The Authority notes that the primary objective of anti-dumping duty is to rectify the injury inflicted upon the domestic industry by the unfair trade practice of dumping, thereby fostering an environment of open and equitable competition in the Indian market. The imposition of anti-dumping measures is not designed to curtail imports from the subject country; it is a mechanism to ensure a level playing field. The essence of fair competition in the Indian market remains intact upon the imposition of such measures, which serve to prevent the accrual of an unfair advantage through dumping. Anti-dumping duties are therefore not a hindrance to, but a facilitator of, fair trade practices.

134. The Authority issued the initiation notification inviting views from all interested parties including importers, users and consumers, and prescribed an Economic Interest Questionnaire to allow all stakeholders to place on record information concerning the possible effect of anti-dumping duty on their operations. No user of the subject goods has filed a response to the Economic Interest Questionnaire or an importer's or user's questionnaire response quantifying the impact of the recommended measure on its operations. Amongst the members of the participating association, only one importer has filed a questionnaire response.

135. As regards the demand-supply gap, the Authority notes the position set out below.

Demand and supply (POI)

Particulars	Unit	Volume
Demand in India	MT	4,379.83
Indian capacity	MT	2,700.00
Demand-supply gap	MT	1,679.83
Subject imports	MT	3,930.88

136. The Authority notes that a demand-supply gap of about 1,679.83 MT exists in India. However, subject imports during the period of investigation were 3,930.88 MT, more than twice that gap, while the domestic industry operated at a capacity utilisation of only 2.18%. The existence of a demand-supply gap is not a justification for dumping and does not preclude the domestic industry from seeking redress. The persistence of a supply gap alongside an industry unable to

recover its cost of sales also underscores the need for conditions that permit domestic capacity and future investment to develop alongside fairly priced imports.

137. As regards the submission that importers undertake significant value addition through design, catalogue development and market development, the Authority notes that the anti-dumping duty is levied on the imported goods at the point of importation and does not fall on any activity undertaken thereafter. The value added by an importer after importation is reflected in the resale price which it commands, and the material placed on record indicates a substantial margin between the import price and the resale price. The measure recommended is confined to the removal of the injurious effect of dumping and does not, on the material available, threaten the viability of that value-adding activity.

138. As regards the impact on downstream users, the Authority notes that the product under consideration is a decorative wall covering applied in residential and commercial premises. It is not an intermediate input into any manufacturing process, and its cost is a small element of the cost of the premises to which it is applied. No user has come forward to place on record any quantification of an adverse impact. The Authority also notes the material on record indicating a substantial margin between the landed price of about ₹173 per kg and the retail price prevailing in India, which suggests that the incidence of the measure would in the first instance fall upon distribution margins rather than upon the end consumer.

139. The Authority notes that the domestic industry is the only producer of the like article in India and is a micro enterprise. Non-imposition of a measure in the circumstances established above would leave the Indian market entirely dependent upon a single foreign source of supply. It is in the interest of users to have a competitive domestic source available alongside fairly priced import.

140. Having regard to the foregoing, the Authority does not find that the imposition of an anti-dumping measure would be against the public interest. The quantified end-user impact based on the corrected lesser-duty amount is set out below.

Quantification of the impact of anti-dumping duty on the end user

141. The quantification of the impact of an anti-dumping duty on the end user is relevant to assess its implications for pricing and consumer welfare. Based on the manner in which the product under consideration is consumed, the impact has been quantified for a representative residential dwelling and a representative commercial space. For this purpose, the Authority has taken the highest applicable lesser-duty amount emerging from the producer-specific dumping and injury margin calculations, namely US$ 3,058 per MT for non-cooperating producers and exporters, equivalent to about ₹261.21 per kg at the exchange rate adopted for the POI.

SN	Particulars	UOM	Residential dwelling (1,250 sq ft)	Commercial space (2,000 sq ft)
1	Total cost of the space	₹	1,00,00,000	2,00,00,000
2	Area covered with wallpaper	sq ft	750	900
3	Rolls required	Nos.	15	40
4	Weight per roll	Kg	1.20	1.20
5	Total weight of wallpaper	Kg	18.00	48.00
6	Landed price of subject imports	₹/Kg	172.55	172.55
7	Illustrative anti-dumping duty	₹/Kg	261.21	261.21
8	Increase in cost on account of duty	₹	4,702	12,538
9	Impact on total cost of the space	%	0.047	0.063

10	Life of wallpaper	Years	5	5
11	Annualised impact over the life of the wallpaper	%	0.009	0.013

142. It is seen that the burden on the end user remains limited and proportionate. At the illustrative duty of about ₹261.21 per kg, the increase in cost works out to approximately ₹4,702 for a representative residential dwelling and ₹12,538 for a representative commercial space. This represents approximately 0.047% and 0.063%, respectively, of the stated cost of the space and, spread over a five-year useful life, approximately 0.009% and 0.013% per annum. The Authority also notes that the product under consideration is landed at about ₹173 per kg and is retailed at substantially higher prices per roll. The incidence of the measure would therefore be commercially manageable and does not, on the information available, create a disproportionate burden on final consumers.

L. POST-DISCLOSURE COMMENTS

143. Comments to the Disclosure Statement were received from the domestic industry and the participating interested parties, namely Jiangxi Casawall Industrial Co., Ltd., Jiangxi Zhuoya Industrial Co., Ltd., Excel Home Décor Private Limited and All India Wallpaper Covering Association.

L.1 COMMENTS BY THE OTHER INTERESTED PARTIES

Product under consideration and requests for exclusion

144. The respondents submit that the PUC is overbroad and that their earlier submissions on exclusions and PCN formulation were not adequately dealt with before finalisation. They seek exclusion of foil-layered PVC and non-woven wallpapers, 70 cm and 106 cm wallpapers, wallpapers above 250 GSM and screen-printed wallpapers. Foil-layered wallpapers are stated to differ in characteristics, process, use, cost and price, and the domestic industry is said not to have established their commercial production and sale.

145. The interested parties have sought exclusion of wider-width wallpapers, stating that cutting 70 cm or 106 cm rolls into smaller widths would disturb their designs and that these widths are used for specific commercial and hospitality purposes. They submit that the domestic industry has not shown sales of 70 cm wallpapers or established its ability to produce 106 cm wallpapers. They have requested verification of such imports from DG Systems data and argued that an exclusion should not be rejected merely because no imports were recorded. Alternatively, they have requested an end-use-based exclusion, relying on TechNova Imaging Systems v. Designated Authority.

146. For wallpapers above 250 GSM and screen-printed wallpapers, the interested parties submit that purchase of raw materials or availability of machinery does not, by itself, establish commercial production. They have requested verification of actual production and sales of 300 GSM wallpapers. They further contend that screen-printed wallpapers differ in manufacturing process, design, cost and market segment, and have therefore sought their exclusion from the PUC.

Domestic industry, standing, confidentiality, base year and import data

147. No further objections have been raised regarding domestic industry, standing or confidentiality. The respondents submit that the domestic industry operated for only three months in 2021-22. Therefore, annualised figures should also be considered to ensure a fair comparison with later years. They have also requested the Authority to explain how DG Systems import data was examined, including the number of transactions considered, identification of PUC and non-

PUC imports, conversion of different quantity units, and treatment of excluded or unclear transactions. They further submit that the domestic industry's own analysis covered only 86.42% of transactions and that the import volumes in the Disclosure Statement differed from private-source data by about 14%, 5%, 2% and 7% in the four respective periods.

Normal value, export price, NIP and form of duty

148. It has been submitted that the domestic industry imports key inputs and therefore bears freight, handling, rejection and other sourcing costs which should be considered while assessing competitiveness. Importers are also stated to incur post-import expenditure on design, catalogues, marketing and market development, for which an adjustment to landed/export price or corresponding exclusion from the domestic industry's cost and NIP has been sought. The respondents also request separate reference-price-based duties for PVC and non-woven wallpapers.

Injury, claim of material retardation and segmentation

149. The respondents submit that material injury and material retardation are different forms of injury and should not be applied together to the same industry. They argue that, since the domestic industry began production in January 2022 and has operated for more than three years, it should no longer be treated as a new industry. However, if material retardation is examined, they request that fixed costs and fixed assets be allocated on the basis of 100% capacity utilisation or the highest utilisation projected in the project report, rather than the actual low production level. They further submit that the wallpaper market has separate price-sensitive and product-sensitive segments. Accordingly, they request exclusion of imports priced above ₹300 per kg or, alternatively, imposition of duty only on imports priced below ₹300 per kg.

Volume, price and economic parameters

150. It has been submitted that subject imports declined in the POI, while domestic production, sales and market share increased and demand declined. Capacity remained unchanged, utilisation stayed above the base year and sales volume was nearly twice the base-year level. The respondents therefore dispute volume injury. They also deny price suppression or depression, stating that the domestic industry's selling price increased despite declining landed import prices, moved with costs and remained above cost of sales throughout the injury period and POI.

151. The respondents further rely on positive PBIT, cash profit and ROCE and submit that negative PBT was materially affected by finance cost, depreciation and inventory adjustments. Project-report projections are said to be business assumptions, not guaranteed outcomes. They also rely on more than ten-fold revenue growth, turnover of about ₹7.2 crore in the last two years and lower material-consumption cost, and submit that any shortfall may reflect business assumptions, customer preferences, market conditions, financing or operational factors rather than dumped imports.

Causal link and public interest

152. The respondents submit that the domestic industry sells higher-priced wallpapers mainly in the product-sensitive segment, whereas imports are concentrated in the lower-priced, price-sensitive segment. They therefore argue that the comparison of domestic and import prices is not on a like-for-like basis. They also point out that the domestic industry had stated that it stopped production because there were no orders and it already had excess stock. Further, they submit that the domestic industry has not provided specific details of the contracts allegedly lost due to imports. According to the respondents, the domestic industry's pricing structure, product range, market position, financing costs and difficulties associated with being a new producer may also explain its poor performance. They therefore argue that the injury cannot be attributed to dumped imports. On public interest, it is submitted that trade remedies should not

compensate for idle capacity or business limitations and that all stakeholders must be considered. The respondents refer to employment in the import and distribution ecosystem, which they say exceeds that of the single domestic producer, possible business disruption and inventory losses, higher prices for middle-class consumers and small businesses, and reduced design choice. They further contend that the direct increase in wallpaper cost is more relevant than comparison with total property value and that the disclosed consumer-impact analysis understates the burden. They therefore seek rejection of the findings on dumping, injury, material retardation and causal link and termination of the investigation.

L.2 COMMENTS BY THE DOMESTIC INDUSTRY

Confirmation of the findings in the Disclosure Statement

153. The domestic industry has requested confirmation of the findings in the Disclosure Statement on product scope and like article, domestic industry and standing, confidentiality, miscellaneous issues, injury and causal link, non-attribution and impact assessment.

Re-verification of Jiangxi Zhuoya's injury margin, export price and landed value

154. The domestic industry has specifically questioned the comparatively lower injury margin determined for Jiangxi Zhuoya. Relying on market-source data showing an average CIF price of about US$1.98/kg for Zhuoya against about US$2.81/kg for Casawall, it submits that the lower-priced exporter would ordinarily be expected to have a higher injury margin. It has therefore sought re-verification of Zhuoya's quantity, CIF price, landed value, DG Systems matching and weight-per-roll conversion. It also submits that even after applying the disclosed injury margin of about 45%, the resulting price would remain below its stated NIP of about ₹488/kg or US$5.7/kg.

Adequacy and effectiveness of the proposed anti-dumping duty

155. The domestic industry submits that the final duty must be sufficient to remove the price injury and that the duty structure should be reconsidered if significant volumes can continue to enter at prices below its raw-material cost and non-injurious price.

Relationship between cooperating exporters and anti-circumvention safeguards

156. It has also requested verification of any relationship or common control between Jiangxi Casawall and Jiangxi Zhuoya, noting the possibility of routing exports through the entity attracting the lower duty. To prevent circumvention, it seeks a requirement that the producer's name be declared and endorsed on shipment documents, together with an importer declaration.

L.3 EXAMINATION BY THE AUTHORITY

Product under consideration and exclusion requests

157. The respondents had adequate opportunity to comment on the product scope and PCN methodology, including after the oral hearing. Their submissions were taken on record and considered. For foil-layered wallpaper, the record contains sales documents, product material and foil-procurement records showing production by the domestic industry. The foil layer does not alter the essential character, function or end use of the wallpaper. The exclusion request remains rejected.

158. For 70 cm and 106 cm wallpapers, width is a dimensional variation within the same product. The respondents have not shown a material difference in composition, manufacturing process, function, end use, distribution or tariff classification. The absence of import volumes of a particular width is not the sole basis of the decision; the request fails on the like-article examination. The proposed end-use condition is also not warranted. The exclusion request remains rejected.

159. For wallpapers above 250 GSM, a higher substrate weight does not by itself create a different article. For screen-printed wallpaper, screen printing is an alternative printing technique used

on the same PVC or non-woven substrate. The record does not establish a distinct function or end use. These exclusion requests are therefore rejected.

Domestic industry, standing and confidentiality

160. No post-disclosure material warrants any change to the findings on domestic industry, standing or confidentiality. Eximus Wallpapers Private Limited remains the sole Indian producer of the like article and satisfies Rules 2(b) and 5(3). The confidentiality findings are also confirmed.

Base year and DG Systems import data

161. The Authority notes that 2021-22 contains only three months of the domestic industry's operations. The final findings therefore rely on the actual reported figures and expressly note the truncated base year. The Authority has also considered movements in the later years and the POI so that the injury conclusion is not based merely on the base-year index.

162. The Authority has independently examined the transaction-wise DG Systems import data and has not relied on the domestic industry's private-source data. Each transaction was examined for product description, quantity, unit and value to determine the volume and price of imports covered by the PUC. Although the import volumes from private sources are broadly similar to those in DG Systems data, the Authority has relied on the official data for its analysis. The relevant overall import figures have been disclosed to enable interested parties to examine them and submit their comments.

Normal value, export price, non-injurious price and form of duty

163. The domestic industry's actual cost of procuring inputs, including freight and other costs necessary to bring them to the place of manufacture, forms part of its verified cost and cannot be disregarded merely because the inputs are imported. The requested adjustment on this ground is therefore not accepted.

164. Design, catalogue, marketing and market-development expenses incurred by importers after importation do not form part of the ex-factory export price or landed value of the imported goods. The NIP has been determined in accordance with the Rules on the verified cost of the domestic industry. No basis has been established for the proposed adjustment or exclusion.

165. The request for a reference-price-based duty is not accepted. The investigation has determined producer-specific dumping and injury margins and the Authority considers a fixed specific duty in US$/MT, based on the lesser of the dumping margin and injury margin, to be the appropriate form of measure.

Material injury, material retardation claim and fixed-cost allocation

166. The respondents have submitted that material injury and material retardation should not both be affirmed for this domestic industry. The Authority has reconsidered the issue in light of the post-disclosure comments. The domestic industry commenced commercial production in January 2022 and had completed about 39 months of operations by the end of the POI. Its actual performance can therefore be assessed through the material-injury parameters under Rule 11 and Annexure II. Although the disclosure statement also examined the shortfall against project projections, those projections are planned outcomes and do not, by themselves, establish a separate finding of material retardation. The Authority accepts the respondents' objection to the extent that the final determination in this case should rest on the established material injury, and finds that the separate claim of material retardation is not established and is not accepted. This does not change the finding of material injury based on verified facts.

167. The NIP has been determined under Annexure III using verified costs and the prescribed basis of reasonable and optimum utilisation. The decision not to record a separate finding of material retardation does not require the Authority to assume 100% capacity utilisation or the highest level projected in the project report for allocating fixed costs. The respondents' alternative request for such allocation is therefore not accepted.

Product segmentation and proposed price threshold

168. The distinction between price-sensitive and product-sensitive demand does not create separate products within the PUC. The domestic and imported goods remain like articles and compete in the same market. The Authority notes that the PUC is defined on the basis of product characteristics and not its price. Excluding wallpapers priced above ₹300 per kg, or applying duty only to imports below this price, would make the scope of the investigation or the duty dependent on import price rather than the product definition. The respondents' request is therefore not accepted.

Volume effect, price effect and economic parameters

169. The Authority notes that although subject imports declined in the POI, they remained high and continued to account for a substantial share of Indian demand. The domestic industry's sales and market share increased from a very low base, but production and capacity utilisation remained very low. The increase in its selling price also does not rule out adverse price effects, as import prices remained substantially below the domestic selling price and NIP. The Authority has examined import volumes, cost of sales, selling prices and landed value together and finds that the dumped imports continued to cause injury to the domestic industry.

170. The Authority has examined all relevant economic and financial parameters. Positive PBIT, cash profit or ROCE in some periods, and revenue growth from a low base, do not by themselves establish absence of injury. The domestic industry faced very low capacity utilisation, limited sales and a loss before tax in the POI. Finance cost, depreciation, material cost and inventory movements have also been considered. Project-report figures have been treated only as background to the planned scale of operations, not as the basis of a separate material-retardation finding. The determination rests on the verified material-injury analysis.

Causal link and non-attribution

171. The price-sensitive and product-sensitive segments do not sever competition between the domestic and imported like article. The price comparison and injury analysis have been carried out for the PUC and, where relevant, on a PCN basis. The respondents' segmentation argument therefore does not establish that the price effect is unrelated to the dumped imports.

172. The Authority has considered the submissions regarding stoppage of production, excess stock, alleged loss of contracts, financing, customer preferences and other operational factors. Stoppage of production due to lack of orders reflects weak demand for the domestic industry's products and does not, by itself, establish a separate cause of injury. The alleged loss of contracts has not been treated as a deciding factor. The other factors raised by the respondents do not adequately explain the substantial price undercutting, very low capacity utilisation and poor performance of the domestic industry. The causal link between dumped imports and injury therefore remains established.

Public interest

173. The Authority notes that the duty is not based on the demand-supply gap and will not restrict the continued availability of imports. It has considered the interests of domestic producers, importers, downstream users and consumers. While the duty will increase the cost of imported wallpapers, no user has established a disproportionate adverse impact through the Economic Interest Questionnaire. The impact assessment is illustrative and is not based solely on property value. Considering the fixed lesser-duty amounts and the available evidence, the Authority does not find the proposed duty contrary to public interest.

Re-verification of Jiangxi Zhuoya and correction of quantities

174. The Authority has examined the domestic industry's objections regarding Jiangxi Zhuoya using the exporter's transaction-wise response, supporting records and DG Systems data. The PCN-wise quantities, export price, landed value and weighted margins have been checked and reconciled with the underlying calculations. The private-source data relied upon by the domestic industry does not match the verified transactions and therefore cannot replace the

verified data. On the basis of this verified data only, the dumping and injury margins have been determined for the cooperative producer-exporter.

Relationship between the cooperating producers and producer identification

175. The allegation that Jiangxi Casawall and Jiangxi Zhuoya may be under common ownership or management is based on market information and is not supported by documentary evidence establishing common control or a common sales channel. The verified record shows producer-specific exports of self-manufactured goods to unrelated Indian customers. Separate producer-specific rates are therefore retained.

176. To ensure correct application of the producer-specific rates, the individual duty will apply only where Customs is presented with a valid commercial invoice containing the prescribed producer declaration. In the absence of such documentation, the residual duty applicable to other producers shall apply.

M. CONCLUSION

177. Having regard to the contentions raised, information provided, submissions made and the facts available before the Authority, and on the basis of the analysis recorded in these final findings, the Authority concludes as follows:

i. The product under consideration is Wallpapers, limited to Polyvinyl Chloride (PVC) Wallpapers and Non-Woven Wallpapers, originating in or exported from China PR. Digital customised wallpaper, natural wallpaper and fabric-backed wallpaper are excluded from the scope.

ii. The product manufactured by the domestic industry is a like article to the subject goods within the meaning of Rule 2(d) of the Rules.

iii. Eximus Wallpapers Private Limited is the sole Indian producer of the like article, constitutes the domestic industry within the meaning of Rule 2(b), and satisfies the requirement of standing under Rule 5(3).

iv. The subject goods have been exported to India from China PR at prices below normal value. The weighted dumping margins determined for Jiangxi Casawall Industrial Co., Ltd. and Jiangxi Zhuoya Industrial Co., Ltd. are positive, and the residual dumping margin for non-cooperating producers/exporters is also positive and significant.

v. Subject imports accounted for about 90% of Indian demand during the POI. The domestic industry held only about ***% of total demand of PUC and operated at about ***% capacity utilisation.

vi. Its production declined in the POI, inventories remained high relative to production, and profit per MT deteriorated from a profit of ₹*** in 2023-24 to a loss of ₹*** in the POI.

vii. The domestic industry operated at a very low level of capacity utilisation, suffered a decline in production and moved into a loss before tax in the POI. Although actual performance was below project projections, those projections have been considered only as contextual information. On the verified injury parameters, the Authority finds that the domestic industry has suffered material injury. The claim of material retardation is not independently established and is not accepted.

viii. The volume, market share and price of dumped imports from China PR have materially affected the ability of the domestic industry to increase production, utilise capacity and recover its costs.

ix. The Authority has separately examined other possible causes of injury, including demand, non-subject imports, financing, start-up conditions and product positioning. Injury caused by these factors has not been attributed to dumped imports. The Authority finds a causal link between the dumped imports and the material injury suffered by the domestic industry.

x. The evidence on record does not establish that imposition of an appropriately calibrated anti-dumping duty would impose a disproportionate burden on importers, users or consumers. Imports will remain available, and the quantified illustrative consumer impact of the highest recommended lesser-duty amount is limited. The Authority therefore finds that imposition of the measure is not contrary to public interest.

xi. The Authority concludes that the subject goods are being exported to India at dumped prices, that such dumped imports have caused material injury to the domestic industry, and that anti-dumping duty is warranted to remove the injury caused by dumping.

N. RECOMMENDATIONS

178. The Authority notes that the investigation was initiated and notified to all interested parties and that adequate opportunity was provided to the domestic industry, producers/exporters, importers, users, the association and other interested parties to submit information and present their views on dumping, injury, causal link and public interest. The Authority has also considered the post-disclosure comments filed by the parties.

179. Having concluded that the subject goods exported by cooperative producers/exporters, namely, Jiangxi Casawall Industrial Co., Ltd. and Jiangxi Zhuoya Industrial Co., Ltd., are dumped and are causing material injury to the domestic industry, the Authority considers it necessary to recommend definitive anti-dumping duty equal to the lower of the dumping margin and the injury margin. The duty is recommended as fixed specific duty in US$/MT.

180. Accordingly, the Authority recommends imposition of anti-dumping duty on imports of the product under consideration originating in or exported from China PR at the rates specified in the duty table below. The duty shall take effect from the date of notification to be issued by the Central Government and shall remain in force for a period of five years, unless revoked, superseded or amended earlier in accordance with law.

DUTY TABLE

S. No.	Heading	Description	Country of Origin	Country of Export	Producer	Fixed duty amount	Unit	Currency
1	2	3	4	5	6	7	8	9
1	4814 20 00 and 4814 90 00	Wallpapers*	China PR	Any country including China PR	Jiangxi Casawall Industrial Co., Ltd.	2547	MT	USD
2	-do-	-do-	China PR	Any country including China PR	Jiangxi Zhuoya Industrial Co., Ltd.	1692	MT	USD
3	-do-	-do-	China PR	Any country including China PR	Any producer other than S. No. 1 to 2	3058	MT	USD
4	-do-	-do-	Any country other than China PR	China PR	Any Producer	3058	MT	USD

**The product under consideration is Wallpapers, limited to PVC Wallpapers and Non-Woven Wallpapers. Digital customised wallpaper, natural wallpaper and fabric-backed wallpaper are excluded from the scope of the product under consideration.*

Note - The application of the individual duty rates specified for the companies mentioned above shall be conditional upon presentation to customs authorities of a valid commercial invoice, on which shall appear a declaration dated and signed by an official of the entity issuing such invoice, identified by his/her name and function, drafted as follows:

> "I, the undersigned, certify that the (volume) of (product concerned) sold for export to India covered by this invoice was manufactured by (producer name and address) in the (name of country). I declare that the information provided in this invoice is complete and correct." If no such invoice is presented, the duty applicable to all other producers shall apply. This requirement is without prejudice to the verification procedures independently undertaken by the Customs authorities under the applicable customs law and regulations.

O. FURTHER PROCEDURE

181. 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.

Digitally signed by
Amitabh Kumar
Date: 25-09-2026
17:07:27

Amitabh Kumar
Designated Authority