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**F. No. 6/28/2024-DGTR  
Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Directorate General of Trade Remedies  
4<sup>th</sup> Floor, Jeevan Tara Building, 5, Parliament Street, New Delhi – 110001**

**Dated: 29.09.2025**

**NOTIFICATION  
FINAL FINDING  
Case No. – AD(OI) – 26/2024**

**Subject: Anti-dumping investigation concerning imports of “Virgin Multi-Layer Paperboards” originating in or exported from Chile and China PR.**

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, as amended from time to time, (hereinafter also referred to as the Anti-Dumping Rules or the Rules);

**A. BACKGROUND**

1. Whereas, The Indian Paper Manufacturer Association (hereinafter referred to as the “applicant” or “applicant association” or “IPA”) filed an application on behalf of the domestic industry before the Designated Authority (hereinafter also referred to as the “Authority”), in accordance with the Customs Tariff Act, 1975 (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 (hereinafter also referred to as the “Anti-Dumping Rules” or the “Rules”) for initiation of anti-dumping investigation concerning imports of Virgin Multi-Layer Paperboard (hereinafter also referred to as the “product under consideration” or the “subject goods”) from Chile and China PR (hereinafter also referred to as the “subject countries”). The following members of the applicant association (hereinafter also referred to as the “applicant domestic producers”) provided their data for the present investigation.
  - i. Aditya Birla Real Estate Limited (Formerly known as Century Textiles and Industries Limited)
  - ii. Emami Paper Mills Limited
  - iii. JK Papers Limited
  - iv. ITC Limited
  - v. Tamil Nadu Papers and Newsprint Limited

2. And whereas, in view of the duly substantiated application filed by the applicant, the Authority issued a public notice vide Notification No. 6/28/2024-DGTR dated 30<sup>th</sup> September 2024, published in the Gazette of India, initiating anti-dumping investigation into imports of the product under consideration from Chile and China PR in accordance with Rule 5 of the Anti-Dumping Rules to determine 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**

3. The procedure described below has been followed with regard to the investigation:
  - a. The Authority notified the Embassies of the subject countries in India about the receipt of the present anti-dumping application before proceeding to initiate the investigation in accordance with sub-rule (5) of Rule 5 supra.
  - b. The Authority issued a public notice dated 30<sup>th</sup> September 2024, published in the Gazette of India, Extraordinary, initiating anti-dumping investigation concerning import of subject goods from the subject countries.
  - c. The Authority sent a copy of the initiation notification to the Governments of the subject countries, through their Embassies in India, known producers and exporters from the subject countries, known importers / users and the domestic industry as well as other interested parties, as per the addresses made available by the applicant and requested them to make their views known in writing within the prescribed time limit.
  - d. The Authority provided a copy of the non-confidential version of the application to the known producers/exporters and to the Governments of the subject countries, through their Embassies in India, in accordance with Rule 6(3) of the Anti-Dumping Rules. A copy of the non-confidential version of the application was made available to other interested parties, wherever requested.
  - e. The Authority sent exporter's questionnaire to the following known producers/exporters to elicit relevant information in accordance with Rule 6(4) of the Rules:
    - i. Cartulinas CMPC S.P.A., Chile
    - ii. Anhui Cole Packaging Materials Co Ltd.
    - iii. Anhui Technology Import and Export Company Ltd.
    - iv. Blue Sky Logitrade Ltd.
    - v. Changle Keyuan Paper Co Ltd.
    - vi. Changzhou Easy Joint Import Export Co Ltd.
    - vii. Chengtong International Ltd.
    - viii. Ekman Pulp and Paper Ltd.
    - ix. Gold East Trading Hong Kong Company Ltd.
    - x. Hangzhou Sinosea Paper Co Ltd.
    - xi. Hartwii Imaging Materials Co Ltd.

- xii. Heinzl Sales Asia Pacific SDN BHD
- xiii. Hong Kong Paper Sources Co Ltd.
- xiv. Kaifeng Yucai Packaging Technology Co Ltd.
- xv. King Empire Group Ltd.
- xvi. Kingdecor Zhejiang Co Ltd.
- xvii. Lami Packaging Hong Kong Company Ltd.
- xviii. Lami Packaging Kunshan Co Ltd.
- xix. Material Sources International Ltd.
- xx. M S Nanjing Jinhan Technology Co Ltd.
- xxi. Modern International Asia Ltd.
- xxii. Ningbo Asia Pulp & Paper Co Ltd.
- xxiii. Oriental Paper HK Ltd.
- xxiv. PG Paper Company Ltd.
- xxv. Shandong Bihai Packaging Materials Co Ltd.
- xxvi. Shenzhen Yuto Packaging Technology Co Ltd.
- xxvii. Stora Enso Guangxi Packaging Co Ltd.
- xxviii. Tricell HK Trading Ltd.
- xxix. United Imatek Qingdao Co Ltd.
- xxx. Vipa Luasanne S A
- xxxi. Vital Solutions PTE Ltd.
- xxxii. Wuhan Xin Oasis Industry and Trade Company Ltd.
- xxxiii. XT Hartwii Imaging Materials Company Ltd.
- xxxiv. Yanlord Paper Ltd.
- xxxv. PT Indah Kiat Pulp and Paper
- f. The Embassies of the subject countries in India were requested to advise the exporters/producers from their countries to respond to the questionnaire within the prescribed time limit.
- g. In response to the initiation of the subject investigation, the following producers/exporters from the subject countries have responded by filing questionnaire response:
  - i. Cartulinas CMPC SpA
  - ii. Ningbo Asia Pulp & Paper Co. Ltd
  - iii. Ningbo Asia Unpolluted Paper Products Co., Ltd
  - iv. Guangxi Jingui Pulp & Paper Co. Ltd
  - v. Jiangsu Bohui Paper Industry Co. Ltd
  - vi. Shandong Bohui Paper Industry Co. Ltd.
  - vii. Bofeng Group Holdings (HK) Ltd.
  - viii. Gold East Trading (Hong Kong) Co. Ltd
- h. The Authority sent Importer's and User's Questionnaire to the following known importers / users of the subject goods in India calling for necessary information in accordance with Rule 6(4) of the Rules.
  - i. Advik Enterprises
  - ii. All India Trading Solutions
  - iii. Aman Paper Company

- iv. A.K. Trading (Paper) Private Limited
- v. Asia Pulp & Papers Private Limited
- vi. Brid Papers
- vii. ECLAT Papers
- viii. C.H. Java Co.
- ix. Chaganraj Co.
- x. Chimanlal Fein Paper Private Limited
- xi. Deepak Paper Company
- xii. Frontro Covertor
- xiii. Green Globe Impex Private Limited
- xiv. Garg Paper Mart
- xv. Hero Multi Paper Private Limited
- xvi. I N Impex
- xvii. Jana Agencies & Industries
- xviii. Kagaj Digital Paper Private Limited
- xix. Kokuyo Riddhi Paper Products Private Limited
- xx. Lakshaya Paper
- xxi. Mandagini Seals
- xxii. M.L.M. (India) Limited
- xxiii. Narsing Dass & Co. Private Limited
- xxiv. Paper Corporation
- xxv. PLG Impex
- xxvi. PNG Global
- xxvii. Pragati Paper Co.
- xxviii. Prisma World
- xxix. Prabhat Paper Mart
- xxx. RD Impex
- xxxi. Rajiv Ranjan
- xxxii. Sarthak Enterprises
- xxxiii. Shanthi Corporation
- xxxiv. Shree Ashtavinayak Papers Private Limited
- xxxv. Shri Krishna Impex
- xxxvi. Shivananda Marketing Private Limited
- xxxvii. Sri Ayyappa Poly Paper & Boards
- xxxviii. Specialty Paper and Boards Private Limited
- xxxix. Supreme India Company
- xl. Swastik Paper Company
- xli. Srinivas Papers Impex LLP
- xl.ii. Syndicate Printers Limited
- xl.iii. Singhanian Alu Foil Containers Manufacturing Company
- xliv. TM Enterprises Private Limited
- xl. v. TCPL Packaging Limited
- xlvi. Temple Packaging Private Limited
- xl. vii. Tetra Pack India Private Limited

- xlvi. Uflex Limited
- xli. Venus Paper Corporation
- l. Vibgyor Global Trade Private Limited
- li. Vital Paper Products Private Limited
- i. In response to the initiation of the subject investigation, none of the importers/users have responded by filing questionnaire response.
- j. A copy of the initiation notification and non-confidential version of the application was sent to the following associations
  - i. ASSOCHAM
  - ii. CII
  - iii. Federation of Paper Traders' Associations of India
  - iv. FICCI
- k. The Authority issued an Economic Interest Questionnaire to the Embassies of the subject countries, all the known exporters, importers and the domestic industry. The response to the Economic Interest Questionnaire has been filed only by the domestic industry.
- l. The Authority invited views from the interested parties regarding the PCN methodology proposed by the domestic industry. All the interested parties were requested to make their views known in writing within the time limit prescribed. Based on the comments received from the other interested parties, the Authority notified PCN methodology vide notification dated 12<sup>th</sup> December 2024.
- m. The Authority made available non-confidential version of the evidence presented by various interested parties. A list of all interested parties was uploaded on the DGTR website, along with the request to all of them to email the non-confidential version of their submissions to all the other interested parties.
- n. Request was made to DG Systems to provide the transaction-wise details of imports of subject goods for the injury period and also the period of investigation. The Authority has relied upon the DG Systems data for computation of the volume of imports and required analysis after due examination of the transactions.
- o. In accordance with Rule 6(6) of the Rules, the Authority provided opportunity to the interested parties to present their views orally in a public hearing held on 7<sup>th</sup> April 2025. The parties, which presented their views in the oral hearing, were requested to file written submissions of the views expressed orally, followed by rejoinder submissions.
- p. Due to the change in the Designated Authority, a second oral hearing was conducted on 12<sup>th</sup> June 2025, which was attended by all the interested parties. The interested parties who presented their views in the oral hearing were requested to file written submissions of their views expressed orally, followed by rejoinder submissions.
- q. Submissions were filed in the subject investigation on behalf of the following interested parties including producers, exporters, users and importers as well as association of users.
  - i. Domestic industry
  - ii. Bofeng Group Holdings (HK) Ltd

- iii. Gold East Trading (Hong Kong) Co. Ltd
- iv. Guangxi Jingui Pulp & Paper Co, Ltd
- v. Jiangsu Bohui Paper Industry Co, Ltd
- vi. Ningbo Asia Pulp & Paper Co., Ltd
- vii. Ningbo Asia Unpolluted Paper Products Co., Ltd
- viii. Shandong Bohui Paper Industry Co, Ltd
- ix. Green Globe Impex Pvt. Ltd.
- x. Hero Multi Pap Pvt. Ltd.,
- xi. Mitthan Lal Marketing Ltd.
- xii. MLM India Ltd.
- xiii. NPT Papers Pvt. Ltd.
- xiv. Pragati Paper Co.
- xv. Shree Ashtavinayak Papers Pvt. Ltd.
- xvi. Bombay Master Printers' Association
- xvii. Federation of Paper Traders' Associations of India
- r. The non-injurious price (NIP) based on the optimum cost of production and cost to make & sell the subject goods in India, based on the information furnished by the domestic industry and having regard to Generally Accepted Accounting Principles (GAAP) and Annexure III to the Rules, has been worked out so as to ascertain whether anti-dumping duty lower than the dumping margin would be sufficient to remove injury to the domestic industry.
- s. The period of investigation (POI) for the purpose of present investigation is 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024. The examination of trends in the context of injury analysis covered the periods 2020-21, 2021-22, 2022-23 and the period of investigation.
- t. The submissions made by the interested parties during the course of this investigation, to the extent supported with evidence and considered relevant to the present investigation, have been appropriately considered by the Authority, in this notification.
- u. Information provided by the interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claim. On being satisfied, the Authority has accepted the confidentiality claims wherever warranted and such information has been considered as confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide sufficient non-confidential version of the information filed on confidential basis.
- v. Wherever an interested party has refused access to or has otherwise not provided necessary information during the course of the present investigation, or has significantly impeded the investigation, the Authority has considered such parties as non-cooperative and recorded the views/observations on the basis of the facts available.
- w. 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 the present notification to the extent possible and verified the

data/documents submitted by all the interested parties to the extent considered relevant, practicable and necessary

- x. An opportunity was provided by the Authority to all interested parties to give their comments on the scope of the product under consideration and PCN methodology.
- y. A disclosure statement containing the essential facts of the investigation which have formed the basis of the final findings was issued to the interested parties on 21<sup>st</sup> September 2025 and the interested parties were allowed time up to 26<sup>th</sup> September 2025 to file comment on the same. The comments to disclosure statement received from the interested parties have been considered, to the extent found relevant and non-repetitive, in this final finding.
- z. ‘\*\*\*’ in this notification represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
- aa. The exchange rate adopted by the Authority for the subject investigation is 1 US\$ = ₹ 83.69.

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

- 4. At the stage of initiation of the present investigation, the following was considered as the scope of the product under consideration.

*“The product under consideration is multi-layer board made of white / virgin wood pulp, whether coated or uncoated, and is also known as Virgin Multi-Layer Paperboard. The product under consideration is made up of multiple layers of paper bonded together. The product under consideration is made up of pulp from fibre of trees. The product under consideration comes in various grades. The product under consideration includes Folding Box Board (FBB), Solid Bleached Sulfate Board (SBS), Cup Stock Paper or Board and Liquid Packaging Board, all in the range of 140 to 450 GSM. These are classified into two main categories, virgin grade which is manufactured from fibre of the trees and recycled grade manufactured from fibres obtained from recovered paper and paperboard.*

*Coated/uncoated Cigarette board and paperboards made out of recycled/brown pulp or fibre are excluded from the scope of the product under consideration.”*

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

- 5. The other interested parties have made following submissions with regard to the scope of the product under consideration and like article.
  - i. Coated Artboard is different from FBB in terms of end-use application and technical specifications. While Artboard is used for graphical printing, FBB is used in packaging applications. The end-use application of coated artboard provided by ITC is also the same. Coated artboard must be excluded from the scope of the present investigation.

- ii. Coated Artboard is only produced by ITC which is only capable of catering to the 25% of demand.
- iii. Coated Artboard has not been mentioned in the scope of the product proposed in the application or in scope notified by the Authority.
- iv. The scope notified by the Authority provides that the product under consideration is only used for packaging and not printing applications.
- v. At paragraph 46 of the application, IPMA has specifically stated that “the product under consideration is use in packaging material. It is predominantly used in food, beverage and pharma industry for packaging purposes. Since the subject goods are not a raw material for manufacturing of any product and are only used for packaging of product, the impact of duty on the users would be very low”.
- vi. Printing paperboards including coated artboard is outside the scope of investigation is further confirmed from paragraph 54 of the application which states that “since the product under consideration is not a raw material and only used as packaging material in food, beverages and pharma industry, the impact of proposed duty on the consumers shall be miniscule”.
- i. Coated artboard is a product used for high quality graphical printing. As per Indian producers, Coated artboard is super-calendared board especially suited for digital printing and is not used for packaging purposes. IPMA in its application has specifically limited the scope of the product under consideration limited to paperboard used for packaging purposes only. Artboard double-coated which is used for printing purposes exclusively is priced almost 20-30% above the prices of the other multilayer virgin paperboard.
- ii. As per the definition in the application, the subject goods are used only for packaging purposes. The applicant has used the term “only” to specify the end-application of the product under consideration is limited to packaging. Thus, coated artboard must be excluded.
- iii. In light of material differences in the cost and prices of coated artboard and absence of the same from the PCN proposed by the application, it can be seen that the product is not included in the scope of the present investigation.
- iv. Cup stock produced by the domestic industry does not match the necessary standards of customers and is imported at a higher price than that of the domestic industry. The same is not like article to the imported cup stock paperboard.
- v. The cup-stock paperboard supplied by foreign producers are priced at a premium of 10-25% due to difference in parameters.
- vi. The manufactures of paper cups have to rely on imported material to cater to the international market due to the difference between the specifications of cup stock supplied by domestic industry and imported into India. The domestic producers supply low-bulk cup stocks which do not meet stringent quality standards of global customers.
- vii. Cup stock with 170 – 350 GSM having thickness of 277-476 microns, bulk of 1.35-1.73, moisture of 7.5%, ISO brightness of 78-80% and edgewick LA/23 of 1.50 kg/m<sup>2</sup> max, should be excluded.



- viii. The initiation notification does not cover virgin multi-layer paperboard coated with layers of inorganic compound such as polyethylene (PE). The Authority must clarify that the same is not included in the scope of the investigation.
- ix. The share of PE coated cup stock paperboard is negligible as compared to total exports to India.
- x. The domestic industry has not rebutted the claims of the exporters in respect of the differences in the technical specifications of the product imported and that produced by the domestic industry. In such a case, it must be found that the product produced by the domestic industry is not like article to the cup stock paperboard supplied by exporters.
- xi. FBB and Cigarette Boards are like article and must be given same treatment. Exclusion of one and not of the other is contradictory. Thus, FBB used for packaging of cigarettes must also be excluded from the scope of the present investigation.
- xii. Exclusion of Cigarette Boards without excluding FBB would result in unjust competitive advantage because of overlapping applications and functionalities. FBB must also be excluded from the scope of the investigation.
- xiii. Cigarette Boards are technically and commerciality substitutable with FBB as Cigarette Boards can be used as FBB for packaging of confectionary and other products.
- xiv. The description of Cigarette Boards available on one of the applicant domestic producers, ITC Limited, states that a Cigarette Boards are FBB.
- xv. Indian importers import FBB from China for manufacturing cigarette boxes. ITC itself imports FBB for its cigarette packaging applications.
- xvi. Exclusion of cigarette boards shall lead to circumvention of duty, if levied. There is no prejudice on inclusion of Cigarette Boards as the domestic industry will benefit from such duty. There is no restriction on expanding product scope post initiation, as done in anti-dumping investigation into imports of Aluminium Foil.
- xvii. Liquid Packaging Board has not been imported from the subject countries or dumped into India which could have caused injury to the domestic industry. Thus, the same must be excluded from the scope of the product under consideration.
- xviii. Liquid Packaging Board has been imported from Brazil and Sweden and any injury to the producers of LPB is due to such imports. Further, FBB and LPB are not commercially and technically substitutable products.
- xix. Inclusion of Liquid Packaging Board in the present investigation is likely to have an adverse impact on the prices of milk, an essential commodity.
- xx. SBS has not been imported or dumped from the subject countries. Hence, injury to producers of SBS cannot be attributed to subject imports.
- xxi. Separate PCNs must be devised for art boards, FBB, SBS, liquid packaging boards and cup stock paperboard on account of differences in prices of such products.
- xxii. PCN methodology is not based on cost differences but on price differences, as provided in Article 2.4 of the Anti-dumping Agreement. The same was concluded by the Appellate Body in US – Anti-Dumping Methodologies (China), where it rejected cost of production as a factor for its qualitative analysis under Article 2.4.2.

- xxiii. The websites of domestic producers which differentiate FBB, SBS, art board and cup stock, also show the these cannot be clubbed together.

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

6. The following submissions have been made by the domestic industry with regard to the product under consideration and like article:
- i. The product under consideration includes Folding Box Board (“FBB”); Solid Bleached Sulfate Board (“SBS”); Cup Stock Paper Board; Liquid Packaging Board and Art Board all in the range of 140-450 GSM.
  - ii. The scope notified by the Authority is appropriate and must be confirmed.
  - iii. The product produced by domestic industry is like article to the product imported from the subject countries.
  - iv. The scope of the product under consideration may only be finalised at the stage of final determination after conducting an investigation and providing due opportunity for a hearing to all interested parties.
  - v. The exclusions requested in respect of artboard, cup stock, liquid packaging board FBB used for cigarette packaging and PE coated cup stock must not be allowed as the domestic industry has produced and sold the said product types in the market.
  - vi. The product scope defined in the initiation notification includes both coated and uncoated virgin multi-layer paperboards. Hence, 2 side coated artboard is included within the definition of the product under consideration.
  - vii. As opposed to the submissions of the other interested parties, the initiation notification clearly mentions that the product under consideration is used for packaging as well as book covers and publishing. Thus, artboard is covered within the scope of the product under consideration.
  - viii. The other interested parties have failed to demonstrate that artboard have characteristics materially different from the product under consideration.
  - ix. As opposed to the submissions by the other interested parties, the ease with which producers can shift from producing one type of product under consideration to artboard, shows that all coated artboard is part of the same group and like article to the product under consideration.
  - x. Contrary to the contentions of the other interested parties, mere existence of a demand supply gap does not justify exclusion of a product from the scope of the product under consideration.
  - xi. The other interested parties have wrongly relied on a single paragraph regarding quantification of impact in the petition to state that the subject goods are only used for packaging purposes. However, at multiple places in the petition, the domestic industry has mentioned that the product under consideration is suitable for printing and also used for promotional materials such as brochures, flyers and display boxes.
  - xii. The domestic industry has produced and sold like article to artboard imported into India and hence, there is no need for exclusion of the same.

- xiii. No evidence has been provided to demonstrate that the cup stock paperboard produced by the domestic industry is different from that imported. The cupstock produced and supplied by the domestic industry adhere to customer specifications as per the orders given to the domestic industry.
- xiv. As opposed to the submissions by the other interested parties, the domestic industry is capable to produce cupstock as per the requirements of the user industry, in case, order is placed on it. The other interested parties are not relying on standards laid down by the Government of India. Mere internal standards of either a producer or a consumer cannot become ground for exclusion.
- xv. The product scope notified by the Authority does not distinguish between the nature of coating applied on the product. Thus, PE coated cup stock must be included in the product scope.
- xvi. As per Rule 2(b), like article can be identical article, or an article which may not be alike in all respects, but has closely resembling characteristics. Thus, cup stock paperboard produced by domestic industry is like article to imported product.
- xvii. The inclusion of cigarette boards has been requested by the exporter of the subject goods and not by the domestic producer. There is no prejudice caused to the interest of the exporter by non-inclusion of cigarette boards.
- xviii. Cigarette Boards differ from FBB in respect of multiple technical specifications including as GSM, Caliper, Moisture, plybond as compared to FBB, tensile strength and fiber machine alignment. As a result, the cost as well as price of Cigarette Boards is higher than that of FBB.
- xix. There is significant difference in the import price of cigarette board and FBB. While the lowest and average import price of cigarette boards is ₹ 91,706 per MT and ₹ 1,18,316 per MT respectively, the lowest and average import price of FBB is ₹ 41,916 per MT and ₹ 61,629 per MT respectively.
- xx. The scope of the product under consideration is required to be defined having regard to the product which is actually being dumped in the country and causing injury to the domestic industry as evident from the findings of the Panel in European Communities – Definitive Anti-Dumping Measures on Certain Iron or Steel Fasteners from China (WT/DS397). Since Cigarette Boards are not being dumped in India, the same cannot be included in the scope of the product under consideration.
- xxi. The reliance by other interested parties on Aluminium Foil case is misplaced as the Authority had excluded the product not included at the at the stage of initiation vide corrigendum notification.
- xxii. Since the domestic industry has produced identical article, that is FBB to FBB imported into India, cigarette boards do not constitute like article to the imported FBB, under the provisions of Rule 2(d) of the Anti-Dumping Rules.
- xxiii. A product type can be excluded only if it has been imported into India, but the domestic industry has not produced a like article to the same. The Authority has followed the same principle in a number of investigations. In case of exclusion of products not imported into India, the Authority will have to undertake individual investigations for each product type once the same are imported.

- xxiv. Since all exporters from China PR have not participated in the present investigation, it cannot be established that liquid packaging boards and SBS board have not been exported to India.
- xxv. Liquid Packaging Boards have been imported into India post the period of investigation.
- xxvi. No prejudice is caused to the Chinese exporters by inclusion of Liquid Packaging Board or SBS Board as the same is not being supplied by such producers and the Authority has formed separate PCNs for each of them.
- xxvii. There is no requirement for separate PCNs for FBB, SBS and cup stock paperboard.
- xxviii. The interested parties have an obligation to disclose, if the foreign exporters supply products with significantly different cost and prices.
- xxix. Liquid Packaging Board exhibits different properties and as a result commands 20% - 25% higher costs and prices as compared to FBB, SBS and Cup stock paperboard. There, is a need for separate PCN for Liquid Packaging Board.
- xxx. Claims for separate PCNs must not be considered on the basis of price or end use differences. There is a need to show difference in cost of production for separate PCNs.
- xxxi. The domestic industry has not produced and sold four or more layered paperboard, either coated, uncoated or laminated with plastic material, aluminium, or other metal for liquid packaging material in the merchant market. The same may be excluded from the scope of investigation.

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

- 7. With regard to request for exclusion of Cup Stock Paperboards and Liquid Packaging Board, the Authority notes that the domestic industry has provided evidence that it has manufactured and sold the identical articles in the merchant market. Thus, there is no requirement to exclude the same from the scope of the product under consideration.
- 8. The other interested parties have submitted that coated art boards have not been mentioned specifically in the application and hence, should not be considered within the scope of the product under consideration. The interested parties also claimed demand-supply gap for coated artboard. The Authority notes that demand-supply gap is not a justification for exclusion of any product type from the scope of the product under consideration. However, it is further noted, that the application filed by the domestic industry was related to the product predominantly used for packaging purposes. Since coated artboards are majorly used for printing purposes, the said product is not included in the scope of the product under consideration. Thus, the Authority concludes that the product scope does not include coated artboard when imported for printing purposes.
- 9. With regard to request for exclusion of the cup stock from the scope of the product under consideration, the Authority notes that the other interested parties have submitted that the domestic industry does not provide the product type as per specifications of the customers

and the price of import is higher than the selling price of the domestic industry. The interested parties have, however, not provided evidence substantiating its contention. Further, the Rules require the Authority to consider whether the domestic industry supplies like article to the product imported into India and does not require that the domestic industry should have supplied the exact same product specifications. Further, there are no mandatory standards notified by the Government of India which are not being adhered to by the domestic industry and which may warrant exclusion of such product from the scope of the product under consideration. The specifications required by an individual importer is not the basis for exclusion of a product type from the scope of the product under consideration. Since the domestic industry has produced and supplied cup stock in the domestic market during the period of investigation, exclusion of cup stock from the scope of the product under consideration is not justified.

10. As regard the submissions that the downstream industry is forced to rely on imports of cup stock in order to adhere to specification required in international markets, the Authority notes that there is no evidence for the same on record. In any case, the downstream industry is free to import the product under consideration for export purposes under advance authorisation and without payment of any anti-dumping duty.
11. With regard to the clarification sought for exclusion for PE coated cup stock paperboard, the Authority notes that the product under consideration as defined in the Initiation Notification does not distinguish between products on basis of type of coating. Thus, specific nature of coating is not sufficient to exclude a product grade from the scope of the product under consideration. The scope of the product under consideration includes “coated and uncoated, virgin multi-layer paperboards”. Thus, it can be clarified that PE coated cup stock is included in the scope of the product under consideration.
12. The other interested parties have contended that FBB used for cigarette packaging must be excluded as it has similar characteristics as that of cigarette boards. Alternatively, cigarette boards may be included within the scope of the product under consideration. The Authority notes that the domestic industry has excluded cigarette boards from the scope of the product under consideration while filing the application. The domestic industry has submitted that cigarette boards have different specifications as that of FBB and commands higher cost and price. As per the evidence on record, the import price of Cigarette Boards is much higher than the import price of FBB. The difference in the price of the two products itself shows that there is difference between the characteristics of the product due to which Cigarette Boards command a higher price. Since, Cigarette Boards are not like product to FBB being imported into India, the same has been excluded from the scope of the product under consideration.
13. The Authority notes that the other interested parties have not demonstrated a need for exclusion of FBB for cigarette application based on difference in cost, price and technical parameters of the product. Further, FBB has been produced and sold by the domestic industry in the Indian market during the period of investigation. Further, the scope of

product under consideration is not based on the application of the product under consideration. Since there is no difference between FBB based on end-use application, there is no requirement for exclusion of the same from the scope of the product under consideration.

14. The Authority further notes that the scope of the product under consideration is defined based on the product which is being dumped into India. The domestic industry has submitted that Cigarette Boards are being imported at a higher price and thus, not being dumped into India. In such a case, there is no justification for inclusion of Cigarette Boards in the scope of the product under consideration.
15. The Authority notes that the other interested parties have requested exclusion of Liquid Packaging Board. The other interested parties have claimed that LPB is a different product, has higher prices and is not imported from the subject countries. The Authority notes that as per the DG Systems data, 1,077 MT of Liquid Packaging Board has been imported from the subject countries during the period of investigation. Further, the Authority has already accounted for the fact that the said product entails higher costs and prices. Accordingly, the Authority has formed a separate PCN for liquid packaging boards. However, the domestic industry has not produced and sold four or more layered processed paperboard, coated or laminated with plastic material, aluminium, or other metals for liquid packaging material. Hence, the Authority excludes the same from the scope of the product under consideration.
16. The Authority also notes that different types of virgin multi-layer paperboards are comparable in terms of essential product characteristics including physical, production technology, manufacturing process, plant & equipment, functions & usage, etc. Different categories/types are intended to meet different end-user requirements. The products differs as per the end-user requirements. As far as interchangeability is concerned, virgin multi-layer paperboards that belong to different product groups may not be interchangeable. However, these products fall in the product scope of the investigation as they share the same broad characteristics.
17. In view of the above, the Authority has considered the following scope of the product under consideration.

*“The product under consideration is multi-layer board made of white / virgin wood pulp, whether coated or uncoated, and is also known as Virgin Multi-Layer Paperboard. The product under consideration is made up of multiple layers of paper bonded together. The product under consideration is made up of pulp from fibre of trees. The product under consideration comes in various grades. The product under consideration includes Folding Box Board (FBB), Solid Bleached Sulfate Board (SBS), Cup Stock Paper or Board and Liquid Packaging Board, all in the range of 140 to 450 GSM. The scope of the product under consideration excludes the following:*

- i. *Paperboards made out of recycled/brown pulp or fibre per-se excluded in the application.*
- ii. *Coated/uncoated cigarette boards*
- iii. *Two side coated artboard when imported for printing purposes.*
- iv. *Four or more layered paperboard, either coated, uncoated or laminated with plastic material, aluminium, or other metal for liquid packaging material.*

18. The Authority has devised PCN for the present investigation and notified the decision to ascertain the scope of PUC after providing an opportunity of hearing to the interested parties. The Authority conducted two oral hearings and heard submissions of interested parties at length. After examining the submissions of interested parties, the Authority has decided the scope of the product under consideration. Since cigarette boards, liquid packaging boards i.e. Four or more layered paperboard, either coated, uncoated or laminated with plastic material, aluminium, or other metal for liquid packaging material, two side coated artboard, and paperboard made from recycled pulp are excluded from the scope of investigation, the following PCN methodology has been finalised and considered:

SN	Product Type	Code
1	Solid Bleached Sulfate Board	SBS
2	Folding Box Board	FBB
3	Cup Stock	CUS
4	Liquid Packaging Board	LPB
5	Others	OTH

19. The product under consideration is classified under Chapter 48 of the Customs Tariff Act, 1975 under the HS Codes 4805 9100, 4805 9200, 4805 9300, 4810 9200 and 4810 9900. Further, the domestic industry has stated that the product is being imported under 32 HS Codes including heading 4802, 4805, 4810, 4811 and 4819. The Authority notes that the product under consideration is majorly being imported under 4805 and 4810. Accordingly, the same have been considered for the purpose of the present investigation. The Customs classification is only indicative and not binding on the scope of the product under consideration in the present investigation.
20. The Authority notes that there are no significant differences in the product produced by the domestic industry and the goods imported from the subject countries. The product produced by the domestic industry and imported from the subject countries are comparable in terms of physical & chemical properties, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The product produced by the domestic industry and that imported from the subject countries is being used interchangeably by the consumers. In view of the same, the product manufactured by the domestic industry is considered as like article to the product imported into India.

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

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

21. The following submissions have been made by the other interested parties with regard to the scope of domestic industry and standing:
- i. West Coast Paper Mills Limited has not provided data as per Trade Notice 13/2018. All data provided by the producer has been claimed confidential. While the supporter provided complete data in anti-dumping investigation into imports of Copier Paper, it has failed to do so in the present case. Due to the failure of compliance with Trade Notice, the claim of support must be rejected.
  - ii. The claim that the supporter has a share of 2.5% in Indian production is incorrect. As per the Annual Report of the company the share of the supporter in capacity and production of subject goods and non-subject goods is more than 15% and not 2.5%, as claimed by the applicant.
  - iii. The other domestic producer faced decline in sales but has not participated in the present investigation.

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

22. The following submissions have been made by the domestic industry with regard to the scope of domestic industry and standing:
- i. The application for initiation of the present investigation has been filed by Indian Paper Manufacturers Association on behalf of the domestic industry.
  - ii. Aditya Birla Real Estate Limited, Emami Papers Mills Limited, ITC Limited, JK Paper Limited, and Tamil Nadu Newsprint and Papers Limited have provided complete data for the present investigation.
  - iii. There is only one other domestic producer of like article in India, namely, West Coast Paper Mills Limited. The said producer has supported the present investigation.
  - iv. As opposed to the submissions by the other interested parties, West Coast Paper Mills Limited has filed complete support letter as per Trade Notice 4/2021. In any case, the Rules do not require the supporter to file any information for supporting the application.
  - v. Reliance cannot be placed on the information given in the annual reports of West Coast Paper Mills Limited as the same is for all products produced by the company and not only for the subject goods. The supporter has itself furnished information related to the subject goods in its support letter.
  - vi. The applicant domestic producers have not imported the subject goods from the subject countries during the period of investigation and are not related to any producer or exporter of the subject goods from the subject countries or any importer in India.



- vii. The applicant domestic producers account for major proportion of total domestic production in India and constitute domestic industry in the present investigation.

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

23. 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”.*

24. The Authority notes that the application for initiation of the present investigation was filed by Indian Papers Manufacturers Association (“IPMA”) on behalf of the domestic industry. The following members of the applicant association have provided detailed data for the purpose of the present investigation.
- i. Aditya Birla Real Estate Limited
  - ii. Emami Papers Mills Limited
  - iii. JK Paper Limited
  - iv. ITC Limited
  - v. Tamil Nadu Newsprint and Papers Limited
25. The Authority notes that there is only one other domestic producer of the subject goods in India, namely, West Coast Paper Mills Limited. West Coast Paper Mills Limited has filed a support letter in the present investigation.
26. With regard to the submissions that West Coast Paper Mills Limited has not filed support letter as per Trade Notice 13/2018, the Authority notes that the supporter has provided complete information as per Trade Notice 4/2021. Further, while the other interested parties have stated that the information does not match the annual reports, the Authority notes that while the annual reports pertain to all the products manufactured by the company, the information provided in the support letter only pertains to the subject goods.
27. The applicant domestic producers have submitted that have not imported the subject goods from the subject countries during the period of investigation and are not related to any producer of the subject goods in the subject countries or any importer of the subject goods in India.
28. The Authority notes that the applicant domestic producers account for 98% of the total domestic production in India and along with supporter, they account for total domestic

production in India. In view of the foregoing, the Authority notes that the applicant domestic producers account for major proportion of domestic consumption in India and thus, concludes that the applicant domestic producers constitute domestic industry under Rule 2(b) of the Anti-Dumping Rules and the application satisfies the requirement of standing in terms of Rule 5(3) of the Anti-Dumping Rules.

## **E. CONFIDENTIALITY**

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

29. The following submissions have been made by the other interested parties with regard to confidentiality:
- i. The applicant has claimed excessive confidentiality as it has given trends instead of aggregate figures for sales value, PBIT per unit, total PBIT, depreciation, capital employed, net fixed assets and working capital.
  - ii. All data provided by West Coast Paper Mills Limited in the support letter has been claimed confidential.

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

30. The following submissions have been made by the domestic industry with regard to confidentiality.
- i. The importers have claimed excessive confidentiality as they have failed to disclose the units linked to production of product under consideration and shareholding structures.
  - ii. The exporters have not adhered to the requirements of Trade Notice 10/2018 and have failed to share their corporate structure and major raw materials used for production of the subject goods.
  - iii. The other interested parties have failed to provide non-confidential summary of the information filed.
  - iv. The financial and contractual links, joint ventures as well as details of factories have been claimed confidential due to which the domestic industry is unable to make reasonable comments on the same.
  - v. The other interested parties have submitted certain representations made by users in India which have been claimed confidential. Due to such confidentiality, the domestic industry is unable to defend its interests.
  - vi. As opposed to the submissions of the other interested parties, the information provided in the support letter concerns an individual producer, disclosure of which would be of significant competitive advantage to the competitors and would seriously impact the interest of the producer in the market. Even the other interested parties have not provided such information.
  - vii. The expenses incurred and claimed for adjustments for fair comparison should be disclosed as such expenses are recorded in the findings of the Authority.

- viii. Contrary to the submissions by the other interested parties, the aggregate sales value has shared with the other interested parties. Aggregate profit related information is sensitive information which can be used to ascertain the cost related information, disclosure of which would give significant advantage to users, in future negotiations, and would impact the interest of the domestic producers.

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

31. The information provided by all the interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claims. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted and such information has been considered confidential and not disclosed to the other interested parties. Wherever possible, the parties providing information on confidential basis were directed to provide sufficient non-confidential version of the information filed on confidential basis. The arguments of the parties with regard to confidentiality have also been examined hereinbelow.
32. With regard to the submissions that the supporter has not disclosed any information filed in the support letter, the Authority notes that the information provided by the supporter consists of information of a single producer. Disclosure of such information will have an adverse impact on the interests of the said producer in the market. Thus, such confidentiality claims are accepted by the Authority.
33. With regard to the submissions that the other interested parties have failed to disclose certain information in their responses, the Authority notes that the interested parties have justified the confidentiality claimed by them. Further, no prejudice has been caused to the interest of the domestic industry due to non-disclosure of such information.
34. As regard to the submissions that the domestic industry has claimed excessive confidentiality with regard to costing and pricing information, the Authority notes that the domestic industry has circulated a revised non-confidential version of the petition on 8<sup>th</sup> April 2025 and has disclosed the information with regard to domestic selling price and export price. The domestic industry has claimed that disclosure of profitability information will cause an adverse impact on the applicants as the same will lead to disclosure of the costing and profitability information. The Authority accepts the confidentiality claims of the domestic industry in this regard.

## **F. MISCELLANEOUS SUBMISSIONS**

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

35. The following miscellaneous submissions have been made by the other interested parties.
- i. Rule 4 which stipulates the lesser duty rule, requires anti-dumping duties to be strictly remedial and not punitive. The domestic industry has already approached

for imposition of MIP. Since the purpose of both MIP and anti-dumping duty is to increase the import price above injurious level, imposition of MIP will neutralize the injury to the domestic industry. Imposition of anti-dumping duty, in such a case, will be violation of lesser duty rule. The present investigation should be terminated if MIP is imposed during the investigation.

- ii. The IQRs have been circulated within a reasonable timeframe, the notification requesting circulation did not specify a time limit to circulate the submissions. Since domestic industry had 2.5 months to comment on the IQRs, no prejudice has been caused to its interest.

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

- 36. The following miscellaneous submissions have been made by the domestic industry.
  - i. As opposed to the submissions by the other interested parties, the industry has filed for imposition of MIP because of further decline in prices in the post POI of the present case and significant increase in imports from Indonesia in that period. Indonesia is not a subject country in the present investigation.
  - ii. The responses which were not circulated within a timely manner should be disregarded and not accepted by the Authority.

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

- 37. With regard to the submissions that the domestic industry has also applied for MIP, the present investigation should be terminated, the Authority notes that the purpose of the present investigation is to examine whether the subject goods from the subject countries are being dumped in India, whether such dumping is causing material injury to the domestic industry and the amount of anti-dumping duty which will be sufficient to address the dumping and injury to the domestic industry. The purpose of MIP is not to examine unfair trade practice in form of dumping. Further, while the present investigation is against only two countries, MIP is imposed on total imports into India. While imposition of MIP is an executive decision, recommendation for imposition of anti-dumping duty is a quasi-judicial action. Thus, the purpose as well as the nature of decisions for MIP and anti-dumping duty is different. Since the subject goods are being dumped in India and such dumping is causing injury to the domestic industry, there is no justification for termination of the present investigation irrespective of whether MIP is imposed or not.
- 38. The domestic industry has submitted that that the questionnaire responses filed by the importers should be rejected as the same were not circulated in a timely manner. In this regard the Authority notes that the responses were not circulated by the other interested parties as per the instructions of the Authority and were non-confidential version of the same were provided to the domestic industry at a later stage. However, no prejudice has been caused to the interest of the domestic industry due to late circulation of such responses as the domestic industry had ample of time to furnish comments on the same.

## **G. NORMAL VALUE, EXPORT PRICE AND DUMPING MARGIN**

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

39. The following submissions have been made by the other interested parties, with reference to determination of normal value, export price and dumping margin.
- i. The claim of the applicant for the export price is incorrect as no basis has been provided for the adjustment claimed.
  - ii. APP Group has fully cooperated in the present investigation and the margins should be quantified based on the response filed by the group entities.
  - iii. APP Group has reported all its affiliation and hence, provided a complete response.

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

40. The domestic industry has submitted as follows with reference to determination of normal value, export price and dumping margin.
- i. Cartulinas CMPC SpA circulated the non-confidential version of the response at a belated stage due to which the domestic industry has not been provided with an opportunity to make meaningful submissions. Such response should be disregarded.
  - ii. China PR should be treated as a non-market economy in accordance with Article 15(a)(i) of China's Accession Protocol and the normal value should be determined in terms of Annexure I, Rule 7 of the AD Rules.
  - iii. Since the provisions of Article 15(a)(i) of China's Accession Protocol continue to remain in force, the producers in China PR are required to show that market economy conditions prevail.
  - iv. The normal value for China PR has been determined based on price payable in India. The normal value has been determined based on the estimates of cost of production of the applicant domestic producers duly adjusted for selling, general and administrative expenses, along with reasonable profit margin.
  - v. The applicant did not have access to information regarding the domestic selling price prevailing in Chile. Since there is no dedicated tariff classification for the product, the price of imports into the subject country or exports from the subject country could not be taken. Information with regard to cost of production in the subject country was not available to the domestic industry. Accordingly, normal value has been determined based on facts available.
  - vi. As opposed to the submissions of the other interested parties, the export price claimed by the domestic industry may be verified for accuracy. Since the foreign producers have participated, the Authority may verify their data and adopt what is more accurate.
  - vii. The other interested parties have made contradictory submissions as the producers and exporters have not disclosed the expenses incurred for sale in home market and exports to India and have stated "Not Applicable" for adjustments for fair comparison.

viii. The dumping margin is positive and significant.

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

41. Under section 9A(1)(c), the normal value in relation to an article means:

*“i) The comparable price, in the ordinary course of trade, for the like article, when meant for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6), or*

*ii) when there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either:*

*(a) comparable representative price of the like article when exported from the exporting country or territory or an appropriate third country as determined in accordance with the rules made under sub-section (6); or*

*the cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and general costs, and for profits, as determined in accordance with the rules made under sub-section (6);*

*(b) Provided that in the case of import of the article from a country other than the country of origin and where the article has been merely transhipped through the country of export or such article is not produced in the country of export or there is no comparable price in the country of export, the normal value shall be determined with reference to its price in the country of origin.”*

42. The Authority notes that the following producers/exporters of the subject goods have filed exporter’s questionnaire responses:

- i. Bofeng Group Holdings (HK) Ltd
- ii. Gold East Trading (Hong Kong) Co. Ltd
- iii. Guangxi Jingui Pulp & Paper Co, Ltd
- iv. Jiangsu Bohui Paper Industry Co. Ltd
- v. Ningbo Asia Pulp & Paper Co., Ltd
- vi. Ningbo Asia Unpolluted Paper Products Co., Ltd
- vii. Shandong Bohui Paper Industry Co, Ltd
- viii. Cartulinas CMPC SpA

### **G.4. Determination of Normal value and Export Price**

#### **G.4.1. Normal value for China PR**

43. Article 15 of the China’s Accession Protocol to the WTO provides as follows:

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

*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.*

*In proceedings under Parts II, III and V of the SCM Agreement, when addressing subsidies described in Articles 14(a), 14(b), 14(c) and 14(d), relevant provisions of the SCM Agreement shall apply; however, if there are special difficulties in that application, the importing WTO Member may then use methodologies for identifying and measuring the subsidy benefit which take into account the possibility that prevailing terms and conditions in China may not always be available as appropriate benchmarks. In applying such methodologies, where practicable, the importing WTO Member should adjust such prevailing terms and conditions before considering the use of terms and conditions prevailing outside China.*

*The importing WTO Member shall notify methodologies used in accordance with subparagraph (a) to the Committee on Anti-Dumping Practices and shall notify methodologies used in accordance with subparagraph (b) to the Committee on Subsidies and Countervailing Measures.*

*Once China has established, under the national law of the importing WTO Member, that it is a market economy, the provisions of subparagraph (a) shall be terminated provided that the importing Member's national law contains market economy criteria as of the date of accession. In any event, the provisions of subparagraph (a)(ii) shall expire 15 years after the date of accession. In addition, should China establish, pursuant to the national law of the importing WTO Member, that market economy conditions prevail in a particular industry or sector, the non-market economy provisions of subparagraph (a) shall no longer apply to that industry or sector.”*

44. The applicant has cited and relied upon Article 15(a)(i) of China's Accession Protocol. The applicant has claimed that producers in China PR must be asked to demonstrate that market economy conditions prevail in their industry producing the like product with regard to the manufacturing, the production and the sale of the product under consideration. It has been stated by the applicants that in case the responding Chinese producers are not able to demonstrate that their costs and price information are market-driven, the normal value should be calculated in terms of provisions of Para 7 and 8 of Annexure- I to the Rules.
45. None of the producers have claimed market economy treatment in the present case. Accordingly, the normal value has been determined in accordance with paragraph 7 of Annexure I of the Rules which state 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. Accounts shall be taken within time limits, where appropriate, of the investigation made in any similar matter in respect of any other market economy third country. The parties to the investigation shall be informed without any unreasonable delay the aforesaid selection of the market economy third country and shall be given a reasonable period of time to offer their comments.”*

46. The applicant has claimed that the normal value should be determined on the basis of price payable in India. The other interested parties have not adduced any other basis, amongst that listed under paragraph 7 of Annexure I of the Rules, which may form basis of determination of normal value. The Authority has therefore, determined normal value as per the price payable in India, based on cost of production of the applicant, duly adjusted for selling, general and administrative expenses and reasonable profits.

#### **G.4.2. Export price for China PR**

**Export price for Ningbo Asia Pulp & Paper Co., Ltd (“NAPP”), Guangxi Jingui Pulp & Paper Co, Ltd (“GJP”), Ningbo Asia Unpolluted Paper Products Co., Ltd (“NAUP”), Shandong Bohui Paper Industry Co, Ltd (“SDBH”) and Jiangsu Bohui Paper Industry Co. Ltd (“JSBH”)**

47. NAPP, GJP, NAUP, SDBH and JSBH (collectively referred to as the “APP Group”) exported \*\*\* MT to India during the period of investigation through related exporters



Gold East Trading (Hong Kong) Co. Ltd (“GEHK”) and Bofeng Group Holdings (HK) Ltd (“BFHK”). Out of the total exports of the APP Group, NAPP has exported \*\*\* MT of subject goods to India through GEHK; GJP has exported \*\*\*MT subject goods to India through GEHK; NAUP has exported \*\*\*MT subject goods to India through GEHK; SDBH has exported \*\*\*MT of subject goods to India through BFHK and JSBH has exported 702 MT subject goods to India through BFHK.

NAPP → GEHK → Unrelated customers in India

GJP → GEHK → Unrelated customers in India

NAUP → GEHK → Unrelated customers in India

SDBH → BFHK → Unrelated customers in India

JSBH → BFHK → Unrelated customers in India

48. All the aforesaid exporters and traders have cooperated before the Authority. The Authority notes that GEHK and BFHK have entered into agreements with the respective producers of APP group wherein \*\*\*. Accordingly, the Authority has determined the net export price based on the price charged from the first unrelated customer. The producer and exporters claimed adjustment on account of ocean freight, insurance, rebate, inland freight, commission, bank charges and credit cost. The same have been allowed after desk verification. The landed price has been determined based on the price charged from the unrelated customer in India. The net export price so determined is mentioned in the table below.

#### **Export price for other producers/exporters in China PR**

49. The export price for all other non-cooperating producers and exporters of China PR has been determined based on facts available and the same is mentioned in the dumping margin table below.

#### **G.4.3. Normal value for Chile**

50. The Authority notes that a response has been filed by Cartulinas CMPC SpA which is a producer of the subject goods in Chile. However, the response filed by Cartulinas CMPC SpA is deficient and the said producer has failed to provide a number of appendices. Further, the appendices provided by the producer are incomplete. The Authority issued deficiencies to the said producer on 28<sup>th</sup> August 2025. However, no reply has been received from the said producer within the stipulated period. Accordingly, the Authority rejects the response filed and determine the normal value and export price as per the facts available.

### Normal value for other producers/exporters in Chile

51. The normal value for all other non-cooperating producers and exporters from Chile has been determined based on facts available and the same is mentioned in the dumping margin table below.

#### G.4.4. Export price for Chile

52. The export price for all non-cooperating producers and exporters of Chile has been determined based on facts available and the same is mentioned in the dumping margin table below.

#### G.5. Dumping margin

53. Considering the normal value constructed as provided above, and export price as determined, the dumping margin determined for the subject country is as follows:

**Dumping Margin Table**

SN	Name of Producer	Normal Value	Export Price	Dumping Margin	Dumping Margin	Dumping Margin
		(USD/MT)	(USD/MT)	(USD/MT)	(%)	(Range)
A	China PR					
1	Ningbo Asia Pulp & Paper Co., Ltd (“NAPP”)	***	***	***	***	25-35%
	Guangxi Jingui Pulp & Paper Co, Ltd (“GJP”),					
	Ningbo Asia Unpolluted Paper Products Co., Ltd (“NAUP”),					
	Shandong Bohui Paper Industry Co, Ltd (“SDBH”)					
	Jiangsu Bohui Paper Industry Co. Ltd (“JSBH”)					
2	Other producers	***	***	***	***	65-75%
B	Chile					
3	All producers	***	***	***	***	15-25%

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

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

54. The following submissions have been made by the other interested parties with regard to injury and causal link:
- i. The domestic industry has not claimed threat or likelihood of injury. The present investigation should be only restricted to material injury.
  - ii. The domestic industry produces two types of FBB, namely, Natural White Folding Box Board and Bluish White Folding Box Board. APP group does not supply Bluish White FBB and hence, no injury claimed must be attributed to subject imports.
  - iii. Acquisition of Century Pulp and Paper, by ITC shows the financial strength of the industry and is inconsistent with the claims of material injury.
  - iv. The volume of imports in 2020-21 and 2021-22 were impacted by COVID-19 and consequent supply chain disruptions. During this period, the volume was low, and the comparative trend shows an increase in the subsequent years. Imports must be examined in comparison to 2018-19.
  - v. Landed price is below the cost of sales only because high interest and depreciation cost have inflated the costs of the domestic industry.
  - vi. Price effect must be examined on PCN basis.
  - vii. The prices of the domestic industry have moved in line with international prices.
  - viii. The domestic industry has not suffered any volume injury. The capacity, production, capacity utilisation, and sales of the domestic industry have changed in line. It is also operating at an optimum capacity utilisation.
  - ix. Aditya Birla Real Estate Limited and ITC have reported different capacities in other public reports and annual reports. The capacity reported publicly is not matching the capacity reported.
  - x. The injury claimed are exaggerated as the public/investor presentations for domestic industry show increase in sales and capacity utilisation in paperboard segment.
  - xi. Further, the sales have increased in line with increase in demand showing that the imports have been absorbed by the increase in demand and did not impact the domestic industry.
  - xii. The injury is due to decline in exports sales and captive consumption which cannot be attributed to subject imports. Even the increase in inventories is on account of decline in export sales.
  - xiii. The increase in inventories is due to increase in production of the domestic industry.
  - xiv. The number of employees, wages and salaries and productivity have increased. There has been a significant increase in salary and wages due to factors other than subject imports.

- xv. The interest cost and depreciation have increased abnormally as compared to increase in capacity.
- xvi. The return on capital employed is 21.1% as per public reports. The same is higher than per-covid levels.
- xvii. Injury is caused due to factors other than imports, such as, decline in demand, oversupply due to increased capacity and increase in preference for recycled paperboard.
- xviii. Import prices from non-subject countries are lower than import prices from subject countries.
- xix. Import prices increased in 2021-22 and 2022-23 due to supply chain disruptions and increase in raw material costs. Injury suffered by the domestic industry is on account of high fixed costs incurred due to capacity expansion undertaken in anticipation of increase in demand.
- xx. Profitability of the domestic industry has been impacted due to increase in pulp prices and freight costs as a result of the red sea crises, as has been claimed by JK Papers. Such a disruption was not faced by Chinese producers which did not get impacted by global price fluctuations.
- xxi. The non-injurious price of has been impacted by the high depreciation and interest costs. The same must be adjusted.
- xxii. The change in capital employed and net fixed assets is disproportionate to installed capacity. The Authority must verify the same for the purpose of determination of the non-injurious price.

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

55. The following submissions have been made by the domestic industry with regard to the injury and causal link:
- i. Contrary to the submissions of the other interested parties, while dumping margin and injury margin may be determined on PCN basis, injury examination cannot be done for all PCNs separately. Injury is required to be determined for the like article, as a whole.
  - ii. As opposed to the submissions of the other interested parties, separate injury examination cannot be done for different product types. The other interested parties have not provided any difference in cost and price of natural white folding box board and bluish white folding box board. The FBB produced by domestic industry is comparable to FBB imported from the subject countries.
  - iii. Different coloured FBB can be produced on the same machine and equipment. Contrary to the claim of the exporters, Blush White FBB has been imported from China.
  - iv. The volume of subject imports has increased in absolute and relative terms in the injury period. The subject imports have doubled in relation to production and consumption.
  - v. The rate of increase in volume of imports is higher than the increase in the rate of demand.

- vi. As opposed to the submissions of the other interested parties, the subject imports have increased in comparison to 2018-19.
- vii. The volume of imports has increased more than increase in demand. The import volumes have increased from 2022-23 as well, which was not impacted by any COVID related disruptions.
- viii. The landed price of the subject imports has declined. The landed price is below the cost of sales of the domestic industry. This has coincided with the increase in imports, forcing the domestic industry to reduce its selling prices.
- ix. The subject imports are undercutting the prices of the domestic industry due to which the market share of the subject imports has increased.
- x. The domestic industry has not been able to increase its selling price in line with the increase in costs. The cost of sales has increased by 37%, while the selling price has increased by only 19%.
- xi. The domestic industry was forced to reduce its prices during the period of investigation below its cost to compete with the imports.
- xii. As opposed to the submissions of the other interested parties, the price of the subject imports was below the price of imports from non-subject countries. While the prices of the other imports were above the cost of sales of the domestic industry, the subject imports were priced lower than the cost of sales of the domestic industry.
- xiii. As opposed to the submissions of the other interested parties, the export price of the domestic industry is higher than the domestic prices. The domestic industry has earned higher profits in the export market.
- xiv. Contrary to the submissions by the other interested parties, even if depreciation and interest is excluded from the cost of production, the landed price is at par with the cost of the domestic industry.
- xv. The difference between the variable cost of the domestic industry and landed price has declined over the injury period.
- xvi. The other interested parties have relied upon outdated reports of Aditya Birla Real Estate Limited regarding capacities. The Authority may verify the capacities reported.
- xvii. The other interested parties have not provided any evidence with regard to the submissions made on capacities of ITC limited.
- xviii. The statements in annual reports of the applicants do not related to like article alone and the same cannot be relied upon.
- xix. While the production and sales of the domestic industry has increased, the same is due to reduction in prices in response to the imports. In order to maintain volume parameters, the domestic industry compromised on its profitability.
- xx. Exports of the domestic industry will not hamper its ability to cater to domestic market as the domestic industry as even at its highest exports in the injury period, it used only 10% of its capacity for exports. Even if the exports of the domestic industry double, the capacity of the domestic industry is enough to cater to the entire domestic demand in India.

- xxi. The domestic industry has faced a clear volume injury as the inventories of the domestic industry have increased. The inventories of the domestic industry have increased by 67% over the injury period.
- xxii. As opposed to the submissions of the other interested parties, the inventories have not increased due to decline in exports, as increase in inventories is much more than the decline in exports of the domestic industry.
- xxiii. The employees, salary and wages have increased due to increase in capacity. It is not necessary that all parameters should show injury to the domestic industry.
- xxiv. While the other interested parties have made submissions on domestic sales and export sales of the domestic industry, the injury to the domestic industry is evidence from decline in price parameters.
- xxv. The profits of the domestic industry have declined by 113% in the injury period. The domestic industry has incurred financial losses in the period of investigation.
- xxvi. The cash profit and return on investment of the domestic industry has also declined significantly over the injury period.
- xxvii. The increase in fixed costs, interest and depreciation expenses is on account of setting up of pulp plants by domestic industry. Since the expenses relate to captive input, the same has not resulted in the increase of production capacity. Additionally, even if such increased expenses are adjusted to the profits, the profitability of the domestic industry has declined.
- xxviii. The capacity expansion undertaken by ITC has resulted in increase in fixed cost and depreciation of the domestic industry. The same may be verified by the Authority.
- xxix. The other interested parties have failed to provide any evidence of impact of COVID-19 and supply chain disruptions during the injury period which would necessitate comparison of import volume from 2018-19.
- xxx. As opposed to the submissions of the other interested parties, a number of applicants have pulp plants and are insulated by changes in freight costs.
- xxxi. As opposed to the submission of the other interested parties, the non-injurious price of the domestic industry must be determined as per the provisions of Annexure III and based on the cost of production of the domestic industry in the period of investigation.

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

- 56. The Authority has examined the arguments and counterarguments of the interested parties with regard to injury to the domestic industry. The analysis made by the Authority hereunder addresses the various submissions made by the interested parties.
- 57. With regard to the submissions that since APP group does not supply Bluish White FBB which is supplied by the domestic industry, no injury should be attributed to such imports, the Authority notes that the injury analysis is conducted for the product under consideration as a whole and not on grades or types of products under consideration.

Further, the other interested parties have not made any submissions on such product or for consideration of a different PCN for such product. The cost and price of such product does not differ from the cost and price of FBB supplied by the exporter. Further, both the products are manufactured on the same line and fall within the category of FBB. The Authority has conducted the injury analysis for product under consideration as a whole.

58. As regard the submissions that the acquisition of Century Pulp and Paper by ITC shows financial strength of the industry, the Authority notes that the said shift in ownership is a post period of investigation development and does not impact the performance of the domestic industry during the period of investigation. Further, since one manufacturer of the subject goods has acquired the other manufacturer, no conclusion can be drawn with regard to such a transaction.

### **H.3.1. Cumulative assessment of injury**

59. Article 3.3 of WTO agreement and para (iii) of Annexure II of the Rules provides that in case where imports of a product from more than one country are being simultaneously subjected to anti-dumping investigation, the Authority will cumulatively assess the effect of such imports, in case it determines that:
- a. The margin of dumping established in relation to the imports from each country is more than two percent expressed as percentage of export price and the volume of the imports from each country is three percent (or more) of the import of like article or where the export of individual countries is less than three percent, the imports collectively account for more than seven percent of the import of like article, and
  - b. A cumulative assessment of the effect of imports is appropriate in light of the conditions of competition between the imported products and the conditions of competition between the imported products and the like domestic articles.
60. In the instant case, volume of imports and dumping margin from each of the subject countries is more than the de-minimis. Further, the imports from the subject countries and the product manufactured by the domestic industry have inter-se comparable properties and is being used for the same applications and by the same segment of customers. Thus, the subject imports are competing in the Indian market inter-se as well as with the subject goods manufactured by the domestic industry.
61. The Authority thus, concludes that it would be appropriate to undertake cumulative assessment of injury in the present investigation for the following reasons.
- a. The subject goods are being dumped into India from the subject countries.
  - b. The margin of dumping from each of the subject countries is more than the *de minimis* limits prescribed under the Rules.
  - c. The volume of imports from each of the subject countries is individually more than 3% of the total volume of imports.

- d. Cumulative assessment of the effects of import is appropriate as the imports from the subject countries not only directly compete with the imports from each of the subject countries but also the like articles offered by the domestic industry in the Indian market.

### **H.3.2. Volume effect of the dumped imports**

#### **a) Assessment of demand / apparent consumption**

62. The Authority, for the purpose of the present investigation, has defined demand or apparent consumption of the product in India as the sum of domestic sales of the Indian producers and imports from all sources. The demand so assessed is given in the table below.

Particulars	Unit	2020-21	2021-22	2022-23	POI
Sales of domestic industry	MT	709,090	885,818	1,026,508	1,142,659
Sales of other producers	MT	***	***	***	***
Trend	Indexed	100	131	110	89
Subject imports	MT	34,005	17,180	62,945	102,581
Chile	MT	13,943	1,279	4,277	13,292
China	MT	20,062	15,901	58,668	89,289
Other imports	MT	38,184	39,998	71,707	52,600
Total demand	MT	***	***	***	***
Total demand	Indexed	100	121	147	163

63. The Authority notes that the demand for the subject goods in India has increased year on year during the injury period.

#### **b) Import Volumes from the subject countries**

64. With regard to the volume of the imports, the Authority is required to consider whether there has been a significant increase in imports, either in absolute terms or relative to production or consumption in India. The import volumes from subject countries during the injury period was as follows:

Particulars	Unit	2020-21	2021-22	2022-23	POI
Subject imports	MT	34,005	17,180	62,945	102,581
Chile	MT	13,943	1,279	4,277	13,292
China	MT	20,062	15,901	58,668	89,289
Other imports	MT	38,184	39,998	71,707	52,600
Total imports	MT	72,189	57,178	134,652	155,181
Imports in relation to					



Domestic production	%	***	***	***	***
Domestic production (Trend)	Indexed	100	38	126	199
Consumption (excluding captive)	%	***	***	***	***
Consumption (excluding captive) (Trend)	Indexed	100	42	126	186
Total Imports	%	47%	30%	47%	66%

65. The Authority notes that:
- The volume of imports from the subject countries have increased in absolute terms over the injury period.
  - Imports in relation to production and consumption have also increased over the injury period.
  - The imports from subject countries account for majority of imports into India.
66. The Authority notes that while the demand for the subject goods has increased by 63% over the injury period, the subject imports have increased by 202% over the injury period. Thus, the subject imports have increased at a rate much more than the rate of increase in demand in India.
67. With regard to the submissions that the imports show an increase only due to disruption in supply chain due to COVID-19 and the increase in imports should be seen from 2018-19, the Authority notes that the other interested parties have not provided any information with regard to imports in 2018-19 and 2019-20. As per the information on record, the volume of subject imports has increase in the period of investigation even when compared to 2018-19 and 2019-20. In any case, the volume of subject imports has increased in the period of investigation as compared to 2022-23 as well, which was not impacted by COVID-19.

### **H.3.3. Price effect of the dumped imports**

68. With regard to the price effect of dumped imports from the subject countries, it is required to be analysed whether there has been a significant price undercutting by the alleged imports as compared to price of the like article in India, or whether the effect of such imports is otherwise to depress prices or prevent price increases, which otherwise would have occurred in the normal course. The impact on the prices of the domestic industry on account of the imports from the subject countries has been examined with reference to price undercutting, price suppression and price depression, if any.
- a) Price undercutting**
69. For the purpose of price undercutting analysis, the selling price of the domestic industry has been compared with the landed price of imports from subject countries. In this regard, a comparison has been made between the landed value of the product and the average

selling price of the domestic industry, net of all rebates and taxes, at the same level of trade.

Particulars	Unit	China PR	Chile	Subject countries
Net sales realization	₹/MT	***	***	***
Landed price	₹/MT	66,989	59,274	65,989
Price undercutting	₹/MT	***	***	***
Price undercutting	%	***	***	***
Price undercutting	Range	0-10%	10-20%	0-10%

70. The Authority notes that the subject imports are priced below the selling price of the domestic industry. The price undercutting from all subject countries is positive and significant.

**b) Price suppression/depression**

71. 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 price to a significant degree or prevent price increase which otherwise would have occurred in normal course, the Authority has examined the changes in the costs and prices of the domestic industry over the injury period.

Particulars	Unit	2020-21	2021-22	2022-23	POI
Cost of sales	₹/MT	***	***	***	***
Trend	Indexed	100	111	138	134
Selling price	₹/MT	***	***	***	***
Trend	Indexed	100	119	142	119
Landed price	₹/MT	61,913	80,870	91,631	65,989
Trend	Indexed	100	131	148	107

72. The Authority notes that while the cost of sales of the domestic industry as well as the selling price has increased over the injury period, the selling price has increased much less than the increase in the cost of sales. The landed price has also increased over the injury period, however, the increase in landed price is much lower due to which the domestic industry has not been able to increase its selling price commensurate to increase in its cost of sales. Further, while both cost of sales and selling price has declined in the period of investigation as compared to the previous year, the selling price has declined much more than decline in cost of sales. The landed price has declined significantly and at a rate more than the decline in cost of sales in the period of investigation as compared to the previous year. Thus, landed price of subject imports has suppressed and depressed the prices of the domestic industry.

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

73. Annexure II to the Anti-Dumping Rules require that the determination of the injury shall involve an objective examination of the consequent impact of dumped imports on the domestic producers of the subject goods. With regards to the consequent impact of these imports on the domestic producers of subject goods, the Rules further provide that the examination of the impact of the dumped imports on the domestic industry would include an objective unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments. Accordingly, performance of the domestic industry has been examined over the injury period.

**a) Production, capacity, capacity utilization and sales volumes**

74. The performance of the domestic industry with regard to capacity, production, sales and capacity utilization over the injury period was as below:

Particulars	Unit	2020-21	2021-22	2022-23	POI
Installed Capacity	MT	1,480,000	1,515,863	1,690,000	1,690,000
Production (PUC+NPUC)	MT	1,255,176	1,522,944	1,591,201	1,668,701
Capacity utilization	%	85%	100%	94%	99%
Production (PUC)	MT	818,894	1,083,054	1,214,499	1,265,886
Domestic Sales	MT	709,090	885,818	1,026,508	1,142,659
Export sales	MT	90,165	148,595	112,604	77,318

75. The Authority notes that:

- i. The installed capacity of the domestic industry has increased over the injury period.
- ii. The production as well as the domestic sales of the domestic industry have increased over the injury period.
- iii. The domestic industry is operating at optimum capacity utilization during the period of investigation.

76. The Authority notes that the domestic industry has submitted that due to increase in low-priced imports, the domestic industry has been forced to compromise on profitability in order to maintain its production and sales.

77. With regard to the submissions that the injury to the domestic industry is due to decline in export sales, the Authority notes that the export sales of the domestic industry accounts for 0-10% of total production in the injury period. Thus, the main focus of the domestic industry is the domestic market and any decline in export sales is not a cause of injury to the domestic industry.
78. As regard the submissions that the capacity reported by Aditya Birla Real Estate Limited and ITC in the publicly available information is different from that reported for the present investigation, the Authority notes that the capacities of the applicants have been verified and the verified information has been provided in the table above.

**b) Market share**

79. Market share of the imports and domestic industry is given in the table below:

Particulars	Unit	2020-21	2021-22	2022-23	POI
Domestic industry	%	87%	89%	85%	86%
Sales of other producer	%	5%	5%	3%	3%
Subject imports	%	4%	2%	5%	8%
Other imports	%	5%	4%	6%	4%

80. The Authority notes that the market share of the domestic industry and Indian industry as a whole declined slightly in 2022-23 and the period of investigation. The market share of subject imports have increased over the injury period. The domestic industry has submitted that it has been able to maintain its market share as it has compromised on profitability in order to maintain its productions and sales.

**c) Inventories**

81. Inventory position of the domestic industry over the injury period is given in the table below:

Particulars	Unit	2020-21	2021-22	2022-23	POI
Opening Inventory	MT	34,830	27,061	28,186	48,699
Closing Inventory	MT	23,831	28,186	48,699	49,318
Average Inventory	MT	29,330	27,623	38,442	49,009

82. The Authority notes that the inventories of the domestic industry has increased significantly over the injury period. Even though the domestic industry has compromised on profitability and sold the subject goods at losses, the domestic industry has suffered due to accumulation of inventories.

83. With regard to the submissions that the increase in inventories is due to decline in exports of the domestic industry, the Authority notes that the inventories of the domestic industry have increased by 19,678 MT over the injury period, while the exports have declined only by 12,847 MT. Thus, increase in inventories is much more than the decline in exports. Thus, increase in inventories is not attributable to decline in exports.

**d) Profitability, cash profits and return on capital employed**

84. Profits, cash profits and return on capital employed of the domestic industry over the injury period is given in the table below:

Particulars	Unit	2020-21	2021-22	2022-23	POI
Cost of sales	₹/MT	***	***	***	***
Cost of sales (Trend)	Indexed	100	111	138	134
Selling price	₹/MT	57,480	68,344	81,634	68,532
Selling price (Trend)	Indexed	100	119	142	119
Profit / (loss)	₹/MT	***	***	***	(***)
Profit / (loss) (Trend)	Indexed	100	187	174	-11
Profit / (loss)	₹ Lacs	***	***	***	(***)
Profit / (loss) (Trend)	Indexed	100	233	251	-17
PBIT	₹ Lacs	***	***	***	***
PBIT (Trend)	Indexed	100	203	242	30
Cash profits	₹ Lacs	***	***	***	***
Cash profits (Trend)	Indexed	100	201	236	39
Return on capital employed	%	***	***	***	***
Return on capital employed (Trend)	Indexed	100	150	127	15

85. The Authority notes that:

- The profitability of the domestic industry has declined significantly over the injury period. While the domestic industry was earning profits, it has incurred financial losses during the period of investigation.
- The cash profits have followed the same trend and have declined significantly in the period of investigation.
- The return on capital employed of the domestic industry has also declined significantly over the injury period. During the period of investigation, the domestic industry has earned a negligible return of \*\*\*%.

86. The domestic industry has submitted that the interest coverage ratio of the domestic industry has declined significantly over the injury period. The Authority notes that the profits earned by the domestic industry are not enough to even cover the interest obligation of the domestic industry.

Particulars	Unit	2020-21	2021-22	2022-23	POI
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PBIT	₹ Lakhs	***	***	***	***
PBIT (Trend)	Indexed	100	203	242	30
Interest	₹ Lakhs	***	***	***	***
Interest (Trend)	Indexed	100	84	205	221
Interest coverage ratio	Times	***	***	***	***
Interest coverage ratio (Trend)	Indexed	100	242	118	14

87. With regard to the submissions that the interest cost and depreciation of the domestic industry have increased much more than the increase in capacities the Authority notes that the interest cost and depreciation have been verified by the Authority. The increase in interest costs and depreciation is due to investment in plant for captive inputs. Even if interest cost and depreciation are adjusted, the profit of the domestic industry before interest and depreciation has declined significantly.

Particulars	Unit	2020-21	2021-22	2022-23	POI
Interest Cost	₹/MT	***	***	***	***
Interest Cost (Trend)	Indexed	100	67	142	137
Depreciation	₹/MT	***	***	***	***
Depreciation (Trend)	Indexed	100	93	134	118
Total	₹/MT	***	***	***	***
Total (Trend)	Indexed	100	82	137	126
PBT	₹/MT	***	***	***	(***)
PBT (Trend)	Indexed	100	187	174	-11
PBDIT	₹/MT	***	***	***	***
PBDIT (Trend)	Indexed	100	147	160	42

**e) Employment, productivity and wages**

88. The Authority has examined the information relating to employment, wages and productivity, as given below:

Particulars	Unit	2020-21	2021-22	2022-23	POI
No. of employees	Nos.	3,882	3,970	4,147	4,160
Productivity per day	MT/Day	2,244	2,967	3,327	3,468
Productivity per employee	MT/Nos	211	273	293	304
Wages	₹ Lacs	16,945	20,940	33,216	36,630

89. The Authority notes that the number of employees of the domestic industry have increased over the injury period with increase in capacities. The productivity as well as salary and wages of the domestic industry have also increased.

**f) Growth**

Particulars	Unit	2020-21	2021-22	2022-23	POI
Installed Capacity	%	-	2%	11%	-
Production	%	-	32%	12%	4%
Domestic sales	%	-	25%	16%	11%
Profit / (loss) per unit	%	-	87%	-7%	-106%
Cash profits	%	-	61%	1%	-85%
Return on capital employed	%	-	50%	-15%	-88%

90. The Authority notes:

- i. The capacity of the domestic industry has increased in 2021-22 and 2022-23. The capacity of the domestic industry remained stable in the period of investigation.
- ii. The volume parameters of the domestic industry have shown positive growth year on year in the injury period. The domestic industry has submitted that the volume parameters have improved as the domestic industry has compromised on profitability.
- iii. While the financial profits and cash profit of the domestic industry increased in 2021-22 and 2022-23, they have shown a negative growth in the period of investigation.
- iv. The return on capital employed of the domestic industry have shown a negative growth year on year since 2022-23.

**g) Factors affecting prices**

91. Since the landed price of subject imports is below the selling price as well as cost of sales of the domestic industry, the same has created a strain on the prices of the domestic industry. Further, the imports are priced below the non-injurious price of the domestic industry. Due to this, the domestic industry has not been able to price its product commensurate to change in its cost of sales. The domestic industry has been forced to compromise on its profitability in order to compete with the low priced imports from the subject countries. Therefore, the imports from the subject countries are impacting the prices of the domestic industry.

**h) The magnitude of dumping**

92. The Authority notes that the subject goods are being dumped in India from the subject countries. The dumping margin is positive and significant.

**i) Ability to raise capital investments**

93. The Authority notes that the profitability of the domestic industry has declined significantly in the period of investigation. The domestic industry has incurred financial

losses in the period of investigation and the interest coverage ratio of the domestic industry is below 1. In such a case, the ability of the domestic industry to raise capital investment has been adversely impacted.

**j) Injury Margin**

94. 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 verified information/data relating to the cost of production for the period of investigation. The non-injurious price has been considered for comparing the landed price from the subject countries for calculating the injury margin. For determining the non-injurious price, the best utilisation of the raw materials, the utilities and the production capacity by the domestic industry over the injury period have been considered. It is ensured that no extraordinary or non-recurring expenses were charged to the cost of production. A reasonable return (pre-tax @ 22%) on the average capital employed (i.e., average net fixed assets plus average working capital) for the product under consideration was allowed as pre-tax profit to arrive at the non-injurious price as prescribed in Annexure III of the Rules and is being followed.
95. The landed price for the cooperative exporters has been determined on the basis of the data furnished by the exporters. For all the non-cooperative producers/exporters from the subject countries, the Authority has determined the landed price based on facts available.
96. Based on the landed price and non-injurious price determined as above, the injury margin for producers/exporters has been determined by the Authority and the same is provided in the table below: -

**INJURY MARGIN TABLE**

S N	Name of Producer	NIP	Landed Price	Injury Margin	Injury Margin	Injury Margin
		USD/ MT	USD/M T	USD/M T	%	Range (%)
A	China PR					
1	Ningbo Asia Pulp & Paper Co., Ltd ("NAPP")	***	***	***	***	20-30%
	Guangxi Jingui Pulp & Paper Co, Ltd ("GJP"),					
	Ningbo Asia Unpolluted Paper Products Co., Ltd ("NAUP"),					
	Shandong Bohui Paper Industry Co, Ltd ("SDBH")					



	Jiangsu Bohui Paper Industry Co. Ltd ("JSBH")					
2	Others	***	***	***	***	40-50%
B	Chile					
3	All producers	***	***	***	***	20-30%

### H.3.5. Non-attribution analysis and casual link

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

#### a. Volume and value of imports from third countries

98. It is noted that there apart from the subject countries, imports have been made in substantial quantities from Brazil and Sweden. However, the price of imports from Brazil and Sweden is much more than the price of imports from the subject countries. Therefore, the injury is not attributable to imports from any country other than the subject countries.

#### b. Contraction in demand

99. The demand for the subject goods has increased over the injury period. Hence, the injury to the domestic industry is not attributable to contraction in demand.

100. With regard to the submissions that the injury is due to increase in preference for recycled paperboards, the Authority notes that even if there has been an increase in preference for the recycled product, the demand has not declined for the product under consideration in India. Thus, no injury is attributable to such factor.

#### c. Pattern of consumption

101. There has been no material change in pattern of consumption of the product under consideration, which could have caused injury to the domestic industry.

#### d. Conditions of competition and trade restrictive practices

102. There are no trade restrictive practices or conditions of competition, which may have cause injury to the domestic industry.

#### e. Developments in technology

103. There has been no change in technology for production of the subject goods, due to which the domestic industry could have suffered injury.

#### f. Productivity

104. The productivity of the domestic industry has increased in line with increase in production. Thus, injury cannot be due to decline in productivity.

**g. Export performance of the domestic industry**

105. The injury information examined hereinabove relates only to the performance of the domestic industry in terms of its domestic market. Thus, the injury suffered cannot be attributed to the export performance of the domestic industry.

**h. Performance of other products**

106. The injury suffered cannot be attributed to the performance of other products of the company, as the domestic industry has segregated and provided information with regard to the like article only.

**I. INDIAN INDUSTRY'S INTEREST & OTHER ISSUES**

**I.1. Submissions by other interested parties**

107. The other interested parties have made the following submissions with regard to the Indian industry's interest:
- i. There is a demand supply gap and imports are necessary. This is even when the domestic industry is operating at a 98% capacity utilisation implying the producers cannot increase their production.
  - ii. The exports of domestic industry have declined due to geopolitical factors, once the exports normalized, the ability of the domestic industry to supply in domestic market will decline.
  - iii. No domestic producer has planned investments to enhance capacities even after expecting increase in demand.
  - iv. Anti-dumping duty would have direct impact on consumers as it is used in pharma and food packaging.
  - v. Imposition of anti-dumping duty will adversely impact the downstream industry which is comprised mainly of unorganised and micro and small enterprises.
  - vi. As opposed to the submissions of the domestic industry, the domestic industry itself imports pulp and capital goods into India and thus, imposition of anti-dumping duty will not lead to saving of foreign exchange.
  - vii. Contrary to the submissions of the domestic industry, APP Group does not undertake unauthorised deforestation.

**I.2. Submissions by the domestic industry**

108. The domestic industry has made the following submissions with regard to the Indian industry's interest:
- i. Public interest must be determined with regard to interests of (a) the domestic producer of like article, (b) the domestic consumers of the product, (c) the upstream and downstream industries in both the producing and consuming industry, and (d) the general public.

- ii. The lack of participation by importers and users and failure to file economic interest response shows that there is no adverse impact on the downstream industry.
- iii. The subject goods are not a raw material for manufacturing any downstream product and are used as packing material, book covers, and in publishing industry. Thus, the impact of imposition of anti-dumping duty will be minimal.
- iv. The prices of the downstream product do not vary in accordance with the prices of virgin paper boards.
- v. In case the dumping of the product under consideration in India continues, the volumes of the domestic industry will be adversely impacted which will have an adverse impact on farmers growing pulpwood.
- vi. The pulp consumed by the domestic industry is made by Eucalyptus, Subabul, Acacia, Poplar, etc which have several sustainable and environmental benefits and increase the green cover in the country and the restoration of degraded land.
- vii. India is AtmaNirbhar for the subject goods and it is necessary to maintain the same.
- viii. There are no long-term contracts between buyers and suppliers of the product and the users can easily switch sources.
- ix. The quality of the product being supplied by the domestic industry is at par with the imported product. This is evident from the fact that the domestic industry holds major share in the Indian demand.
- x. The users have spent USD 423 million to import the subject goods during the last 4 years. The imposition of duty would help reduce this efflux of foreign exchange, as India is already self-sufficient in the product.
- xi. There is no demand-supply gap in the country. The domestic industry has the capacity to cater to even an increase in demand.
- xii. \*\*\* is planning capacity expansion to the tune of \*\*\* lakh MT. However, the present situation is not conducive to further investment as the domestic industry is suffering losses due to dumping in India.
- xiii. The Chinese producers are getting substantial support from the Government of China which is hampering the fair market conditions in India.
- xiv. While the producers in the subject countries undertake large scale deforestation, the Indian industry does not promote deforestation. Instead, wood is procured by the Indian industry from plantations which are supported and maintained by the Indian industry.
- xv. There is negligible impact of imposition of anti-dumping duty on the downstream industry.

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

109. The Authority notes that the primary objective of anti-dumping duties is to rectify the injury inflicted upon the domestic industry by the unjust trade practices of dumping, thereby fostering an environment of open and equitable competition in the Indian market. This is not merely a regulatory measure, but a matter of national interest. The imposition of anti-dumping measures is not designed to curtail imports from the subject countries arbitrarily. Rather, it is a mechanism to ensure a level playing field. The Authority

acknowledges that the persistence of anti-dumping duties may influence the price levels of the product in India. However, it is crucial to note that the essence of fair competition in the Indian market will remain unscathed by the imposition of these measures. Far from diminishing competition, the imposition of anti-dumping measures serves to prevent the accrual of unfair advantages through dumping practices. It safeguards the consumers' access to a broad selection of the subject goods. Thus, anti-dumping duties are not a hindrance but a facilitator of fair-trade practices.

110. The Authority issued the initiation notification, inviting views from all interested parties including importers, users and consumers. An Economic Interest Questionnaire was also prescribed to allow various stakeholders, including the domestic industry, producers/exporters and importers/users/consumers to provide relevant information concerning the present investigation, including the possible effect of anti-dumping duty on their operations.
111. The Authority notes that the product under consideration is not a raw material for manufacturing of any product. The product under consideration is used for packing. Since the product under consideration is not a raw material, there will be negligible impact of imposition of anti-dumping duty on the prices of the downstream industry.
112. The domestic industry has submitted that the price of the downstream product does not change with change in price of the product under consideration. It is noted, that in such a case, there will be no impact of imposition of the anti-dumping duty on the consumer industry in India.
113. As per the evidence on record, the imposition of anti-dumping duty will have a negligible impact on the end consumers. The Authority notes that the impact of imposition of anti-dumping duty is less than 0.5%.

Particulars	Unit	Soap 75 gm	Ice-cream 750ml	Hosiery Premium	Agarbatti 88gms
Price of downstream product	₹	50	150	300	55
VPB Consumed in one unit	KG	0.007	0.023	0.018	0.016
Landed price of VPB	₹/KG	64.82	64.82	64.82	64.82
Cost of VPB in one soap	₹	0.45	1.49	1.17	1.04
Proposed ADD	₹/KG	***	***	***	***
Price of VPB after ADD	₹/KG	***	***	***	***
Cost of VPB in one soap	₹	***	***	***	***
Impact	₹	***	***	***	***
Impact	%	Less than 0.5%	Less than 0.5%	Less than 0.5%	Less than 0.5%

114. The Authority notes that imposition of anti-dumping duty will not lead to shortage of the product under consideration in India. The capacities of the Indian industry are enough to cater to the entirety of the domestic demand in India. While imposition of anti-dumping duty does not restrict imports into India, there is no demand-supply gap in the country. Thus, even if imports of the product under consideration cease post imposition of anti-dumping duty, there will be no shortage of availability of subject goods in India.

Particulars	Unit	
Capacity in India	MT	17,44,321
Demand	MT	***
Difference	MT	(***)

115. The Authority notes that the domestic industry has submitted that \*\*\* is planning capacity expansion in India to the tune of \*\*\* MT. However, since the domestic industry has incurred losses during the period of investigation, the present situation is not conducive of any investment in India.

## **J. POST DISCLOSURE COMMENTS**

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

116. The other interested parties have made the following new submissions post issuance of the disclosure statement:
- The names Ningbo Asia Pulp & Paper Co. Ltd and Jiangsu Bohui Paper Industry Co. Ltd should be used in the duty table.
  - The detailed workings for determining landed value and export price for cooperative Chinese producers has not been disclosed. It has not been disclosed whether all sales of two-side coated artboard to traders and end-users have been considered for determining landed value.
  - The Authority has incorrectly considered 7% Custom Duty for calculating landed value. Indian importers have paid 10% Basic Custom Duty for subject goods exported by the responding exporters. This may be verified from the Bills of Entry provided and Alert Circular No. 03/2021 – Customs dated 18<sup>th</sup> February 2021, which shows no concessional duties were granted to the responding exporters as the goods were invoiced by traders in Hong Kong.
  - The Authority has not examined the request for exclusion of SBS from the scope of the product under consideration. Since SBS has not been imported into India, it has not been dumped and any injury to the domestic industry due to imports of SBS is not attributable to subject countries.
  - The injury and causal link must be examined for the revised scope of the product under consideration, that is, after exclusion of artboard and liquid packaging board.
  - The methodology for segregating imports as per the revised scope of product under consideration must be disclosed. Further, the Authority may clarify if all

- transactions of art board have been excluded or only those transactions where artboard was imported for printing purposes only was excluded.
- vii. The Authority has not provided any reasons for change in scope of domestic industry.
  - viii. The applicant has claimed excessive confidentiality. A fresh disclosure should be issued after disclosing the information claimed confidential by the domestic industry. The application must be rejected as it is in violation of Trade Notice 10/2018, as done in cases wherein responses filed by exporters are rejected when in contravention of the said trade notice.
  - ix. The domestic industry has not suffered injury as it is operating at full capacity utilisation despite increasing capacities. Further, the production and domestic sales of the domestic industry have also increased.
  - x. The Authority has not examined the impact of the significant increase in depreciation and interest cost, and decline in export sales and captive consumption, on the performance of the domestic industry.
  - xi. The impact of decline in export sales and captive consumption must be removed for the injury examination of the domestic industry.
  - xii. Other factors causing injury, namely, oversupply in market and shift in demand to recycled paperboard have not been examined.
  - xiii. The Authority has not shared the actual methodology applied for determination of non-injurious price of the domestic industry. The Authority has merely stated the Rules.
  - xiv. The non-confidential version of the rejoinder submissions and comments to disclosure must be shared with the other interested parties.
  - xv. Domestic producers cater to 90% of the demand in the packaging sector and support must be given to the domestic industry in case the imports are entering at below costs.
  - xvi. The packaging sector is heavily dependent on timely availability of supply from local sources.
  - xvii. While the user association does not oppose the imposition of duties, the same must not be used as a means to unrealistically increase domestic prices for significant profits.
  - xviii. The methodology used for examination of costs and reasonable profits of domestic producers for determining MIP must be used for imposing anti-dumping duties as well.
  - xix. Federation of Paper Traders' Association has made submissions in the present investigation and may kindly be recorded as a party in the list of interested parties.
  - xx. Submissions made by the importers on inclusion of two-sided coated paperboard have not been taken on record. Further, no observations have been made on inclusion or exclusion of two-sided coated paperboard, in the disclosure.
  - xxi. Double-Sided Coated Paperboard is similar in characteristics and application to two-sided coated artboard used for printing, which has been excluded from scope of the production under consideration. Double sided coated paperboard has different application, characteristics and pricing as compared to product under

- consideration. Double-Sided Coated Paperboard should also be excluded in the findings, as only ITC produces it in India.
- xxii. Since the submissions with regard to double-sided coated paperboard have not been addressed in the Disclosure Statement, the interested parties have been denied an opportunity to make meaningful submissions in this regard.
  - xxiii. Imposition of anti-dumping duties over MIP would result in over protection and violation of lesser duty rule. The MIP has been imposed during the investigation process and brought the import prices above non-injurious price.
  - xxiv. Even if the MIP is imposed for a short-term measure and is not equal to the non-injurious price of the domestic industry, it will result in increase in input costs for the downstream industry and increase the import prices. Additional anti-dumping duty would duplicate the remedy.
  - xxv. There is significant change in the injury information examined in the disclosure statement and that provided in the application. Such revisions do not adhere to the principles of natural justice, as held in *Automotive Tyre Manufacturer's Association (ATMA) vs. Designated Authority*, (2011) 2 SCC 258, *Shapoorji Pallonji Infrastructure Capital Co. Private Ltd vs. The Union of India & Others* and stated in the DGTR Manual of Operating Practices for Trade Remedy Investigations.
  - xxvi. The injury is due to high depreciation and interest costs because of capacity expansion undertaken in anticipation of growth in demand. In POI, the import prices have only stabilised to pre-COVID 19 levels, and the injury caused is not due to volume effect of subject imports but due to high depreciation and interest costs.
  - xxvii. Price of subject imports are in line with international prices. Export price and domestic price of domestic industry have also moved in line with each other. Imports from other countries are also at lower prices, indicating that subject imports are at par with international prices.
  - xxviii. Non-injurious price is inflated due to high interest and depreciation costs
  - xxix. Decline in profits is due to high interest and depreciation costs, volatile raw material prices and high freight rates due to red sea crises. Impact assessment after considering effect of MIP is 3%, higher than impact as per disclosure statement.

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

- 117. The domestic industry has made the following new submissions post issuance of the disclosure statement:
  - i. Century Textiles and Industries Limited is requested to be referred to by its new and existing name, Aditya Birla Real Estate Limited.
  - ii. The scope of product under consideration is not restricted to products used for packaging purposes. The same must not be selectively read to conclude that artboard is not included in the scope of product under consideration.

- iii. Other interested parties have not demonstrated that coated artboard has different technical parameters as compared to virgin multi-layer paperboards.
- iv. There is no bar to use artboard from packaging purposes. In case, artboard is excluded, it must be explicitly clarified that artboard for packaging purposes is included in the scope of the product under consideration.
- v. Imposition of MIP does not restrict imposition of anti-dumping duties. The MIP caters to imports from non-subject countries as well and are only in effect till 31<sup>st</sup> March 2026. The MIP has been imposed considering only the costs of the domestic industry. Previously, duties have been recommended on imports of Glufosinate Technical when the same were subject to MIP.
- vi. Imposition of duties would provide a level playing field for growth of Indian industry to push for initiatives with respect to infrastructure and development.
- vii. Since there are no long term contracts between buyers and customers, the imposition of duties would allow users to choose from domestic sources, which have the capacity to cater to the demand.
- viii. The domestic industry supplies products having quality at par with imports, evident from the market share catered to by the industry previously. The demand for imports has increased solely due to the availability of imports at the dumped prices.
- ix. The exporters from China PR enjoy benefits from significant government intervention, allowing such exporters to destroy fair market conditions in India.
- x. The Indian industry supports pulp production and uses Eucalyptus, Subabul, Acacia, Poplar, etc. which are disease resistant and also utilize less water. This boosts the environmental benefits and increases the green cover in the country. On the other hand, the exporters have been reported to undertake unauthorized deforestation.

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

- 118. The Authority has examined the post disclosure submissions made by the domestic industry and the other interested parties and notes that a number of submissions are reiterations which have already been examined suitably and addressed adequately in the relevant paras of the final findings. The issues raised for the first time in the post-disclosure comments/submissions by the interested parties and the domestic industry and those backed up with sufficient evidence and considered relevant by the Authority are examined below.
- 119. With regard to the submission that coated/uncoated paperboards are included or excluded from the scope of the product under consideration, the Authority notes that the scope of product under consideration includes coated and uncoated virgin multi-layer paperboards. Since the product under consideration includes coated and uncoated paperboards without reference to the sides for coating, there is no doubt that even two sided coated paper boards are included within the description of the product under



consideration. However, two side coated artboard when imported for printing purposes are excluded from the scope of product under consideration.

120. As regard the submissions that there is demand-supply gap in India with regard to double sided coated paperboards, the Authority notes that demand-supply gap for a product type is not a justification for exclusion of the product type. Since the importers have themselves admitted that ITC Limited has produced and sold the said product, the domestic industry has produced and sold like article to the subject goods imported into India. In such a case, there is no justification for exclusion of the same from the scope of the product under consideration.
121. The interested parties have contended that the request for exclusion of double-sided coated paperboard was not recorded in Disclosure Statement, which denies parties an opportunity to comment. The Authority does not find any merit in the argument, as the very purpose of a Disclosure Statement is to disclose facts recorded by the Authority and allow parties an opportunity to comment. Therefore, the interested parties were allowed an opportunity to comment on the inclusion or exclusion of double-sided coated paperboard in their comments to Disclosure Statement. Such submissions have been duly considered by the Authority in its final determination. Therefore, the present determination is in consonance with the principles of natural justice, and all interested parties have been allowed a meaningful opportunity to defend their interests.
122. As regard the request for issuance of a fresh disclosure statement due to confidentiality claimed by the domestic industry, the Authority notes that detailed examination regarding confidentiality claimed by the domestic industry has been made in the relevant submissions. The domestic industry has already disclosed the price related information. However, disclosure of cost and profitability related information of the domestic industry will adversely impact the interests of the domestic producers in the market. The Authority on being satisfied by the confidentiality claims by domestic industry and other interested parties have accepted the submissions by all interested parties. Thus, there is no need for issuance of a fresh disclosure in the present investigation.
123. The other interested parties have requested sharing of non-confidential version of rejoinder submissions and comments to disclosure. The Authority notes that as per practice of the Authority, the rejoinder submission and comments to disclosure are not circulated by any interested parties. In fact, the other interested parties requesting such circulation has themselves not circulated the rejoinder submissions and comments to disclosures to other interested parties and the domestic industry. Further, all submissions made by the domestic industry and other interested parties in the rejoinders have been summarised and provided in the disclosure statement. Thus, no prejudice is caused to the interest of any interested parties by not sharing such submissions.

124. With regard to the request for correction of names of foreign producers as well as Century Textiles and Industries Limited to Aditya Birla Real Estate Limited, the Authority has corrected the same in the relevant part of this notification and the duty table.
125. The domestic industry has submitted that artboards can be used for packaging purposes. The Authority notes that only artboards used for other than printing purposes have been excluded from the scope of the product under consideration. In case, artboard is imported for the purpose of packaging, the same is included in the scope of the product under consideration.
126. As regard the submissions that the detailed working has not been disclosed with the producers and exporters, the Authority notes that sufficient disclosure has been made to the other interested parties with regard to determination of export price and landed price. Further, as regard the transactions for artboards to traders and printers, since the Authority has already excluded coated artboard for printing purposes, no such transaction has been considered for determination of export price and landed price.
127. With regard to exclusion of SBS from the scope of the product under consideration, the Authority notes that it is the settled position of the Authority that only those product types which have been imported during the period of investigation and the domestic industry has not supplied like article thereof, can be excluded from the scope of product under consideration. The evidence supplied by the domestic industry shows that it has produced and sold SBS in the domestic market during the period of investigation. Therefore, SBS cannot be excluded from the scope of the product under consideration.
128. With regard to the submissions that the injury and causal link should be examined based on the revised scope of the product under consideration, the Authority notes that four or more layered paperboard, whether coated, uncoated, or laminated with plastic, aluminium, or other metals, used for liquid packaging have been excluded from the scope of the product under consideration. Since the said product was not manufactured by the domestic industry, the same does not form part of the injury data examined in the relevant part. With regard to exclusion of artboard when imported for printing purposes, the Authority has examined the injury data of the domestic industry post exclusion of the same in the relevant part of this notification.
129. With regard to the submissions that the interest cost and depreciation of the domestic industry have increased much more than increase in capacities, the Authority notes that the interest cost and depreciation have been verified by the Authority. The increase in interest cost and depreciation is due to investments in plant for captive inputs. Even if interest cost and depreciation are adjusted, the profit of the domestic industry before depreciation and interest cost has declined significantly.

Particulars	Unit	2020-21	2021-22	2022-23	POI
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Interest Cost	₹/MT	***	***	***	***
Trend	Indexed	100	67	142	137
Depreciation	₹/MT	***	***	***	***
Trend	Indexed	100	93	134	118
Total	₹/MT	***	***	***	***
Trend	Indexed	100	82	137	126
PBT	₹/MT	***	***	***	(***)
Trend	Indexed	100	187	174	-11
PBDIT	₹/MT	***	***	***	***
Trend	Indexed	100	147	160	42

130. With regard to the submissions that the effect of decline in captive consumption and export sales have caused injury to the domestic industry, the Authority notes that captive consumption and export sales account for only 0-10% of the total production of the domestic industry. Therefore, the share of such captive consumption and exports in total volume is low. Thus, injury is not attributable to decline in captive consumption and export sales.
131. With regard to the submissions that the MIP has already been imposed and there is no need for imposition of anti-dumping duty, the Authority notes that the purpose of MIP and anti-dumping duty is different. Imposition of MIP does not bar imposition of anti-dumping duty. In the present case, the Authority has found that the exporters in the subject countries are dumping the product under consideration in India which is causing material injury to the domestic industry. In such a case, there is a need for imposition of anti-dumping duty. Further, MIP is a short term measure as compared to the anti-dumping duty. As regard the argument that the MIP has already brought the import prices over the non-injurious prices, the Authority notes that the dumping margin and injury margin will be determined based on the situation prevailing in the period of investigation. The Authority does not consider the subsequent decline in import prices in determination of dumping margin and injury margin. Therefore, in the same manner the contention that the injury margin might have reduced subsequent to the period of investigation cannot be accepted as well.
132. As regards the contention that the calculation of impact of duty does not factor MIP, the Authority notes that it is required to examine the impact of the proposed anti-dumping duty and not of other policy measures of the Government.
133. With regard to the submission that the Authority has considered a different data for the disclosure statement, the Authority notes that the data considered in the disclosure statement is verified data of the domestic industry. Further, the trend of the injury analysis has not changed in the disclosure statement as compared to that filed by the domestic industry. In such a case, no prejudice is caused to the interest of the other interested

parties. The Authority also notes that the Authority discloses essential facts being considered by it to all interested parties, only at the stage of Disclosure Statement. Therefore, the verified information being considered for injury analysis, and the verified data considered for calculation of dumping margin and injury margin is disclosed to all interested parties at this stage. At this stage, the Authority also allows all interested parties, including the domestic industry, an opportunity to defend their interests, by making submissions with regard to the essential facts disclosed. Such an opportunity ensures that the principles of natural justice are upheld throughout the investigation process.

134. As regard the submissions that the anti-dumping duty may be calculated by the same methodology as that of MIP, the Authority notes that the anti-dumping duty has been calculated based on the provisions of the Customs Tariff Act and the relevant Rules.
135. The Chinese producers have submitted that a 10% rate of customs duty should be considered as they were not provided concession under the India-APTA FTA. The Authority notes that as per the evidence provided by the other interested parties, the subject goods have been cleared under 10% customs duty. Accordingly, the landed price has been revised in the relevant section. However, since the anti-dumping duty has been quantified based on dumping margin as the same is lower than the injury margin, change in landed price does not impact the duty quantified for the Chinese producers.
136. With regard to methodology for segregation of import data with respect to the exclusions in the scope of product under consideration, the Authority notes that the Authority has identified all transactions which pertained to artboard, without reference to intended application, or with reference to application other than packaging application, and the same have been excluded in order to quantify the total imports of the product under consideration in India. However, it has been ensured that any transaction specifically relating to artboard used for packaging purposes has not been excluded.
137. As regards the argument that the domestic industry has suffered due to high depreciation and interest cost, the Authority has examined the PBDIT and found that the same has also declined over the period. The interested parties have also contended that the domestic industry has suffered injury because of volatile pulp prices and red sea freights. The Authority notes that the present injury analysis considers domestic producers that are purchasing pulp, as well as those producing pulp captively. In case the raw material prices increase, it is reasonably expected that the prices of the product also follow the same trend. However, the facts on record show that the price of imports has not increased in response to the increase in costs, forcing the domestic industry to also reduce its prices.
138. As regard the submissions that the non-injurious price of the domestic industry is inflated due to higher depreciation and interest cost, the Authority notes that the non-injurious price has been determined as per the principals laid down in Annexure III of the Anti-Dumping Rules.

139. With regard to the request for disclosure of actual methodology for calculation of non-injurious price of the domestic industry, the Authority notes that it has already disclosed the methodology adopted. The non-injurious price has been determined based on the provisions of Annexure III to the Anti-Dumping Rules. The non-injurious price of the domestic industry is confidential business proprietary information of the applicants and cannot be shared with the other interested parties. Disclosure of such information will adversely impact the interest of the domestic producers in the market.
140. The interested parties have highlighted that there are lower priced imports from Belgium, Brazil, Estonia, New Zealand, Russia, Slovenia, UAE and USA, which are priced below the price of subject countries. The parties have highlighted that such imports collectively account for 4.5% of total imports. The Authority notes that, under the Anti-Dumping Rules, import volumes from a particular country are considered significant, if it accounts for at least 3% of the total imports; or if imports from countries, which individually account for less than 3%, account for more than 7%. Therefore, imports from the aforesaid countries, collectively accounting for only 4.5% of the total imports cannot be considered significant, as to cause injury to the domestic industry. Further, as regards the argument that such lower import prices show that the international prices are lower, the Authority does not find merit in such an argument. The subject imports account for a significant share in the market. As such, such lower priced imports may compel producers in other countries to also reduce their prices. However, the fact of dumping found in the present case shows that the prices of subject imports are low due to dumping, and no other factors.
141. The Authority further notes that as per the evidence on record, there are no long term agreements of the users with foreign producers. While imposition of anti-dumping duty does not restrict imports of the product under consideration in India, but only ensures that the same is imported at fair prices. In case, the users decide not to import the product under consideration from the subject countries post imposition of anti-dumping duty, they will be able to procure the product under consideration from the domestic industry due to no long term agreements.
142. The Authority notes that Federation of Paper Traders' Association of India has filed submissions and stated that the domestic industry caters to majority of demand in India and support must be provided to the domestic industry in case of imports at low prices. Further, the association has also stated that low cost imports into India is leading to reduction in foreign exchange reserves in India and undermines Make in India initiative.
143. The other interested parties have submitted that the injury to the domestic industry is due to cost pressure and higher cost of sales of the domestic industry as a result of normalisation of market conditions. It has further been submitted that the price of exporters are in line with international prices. The Authority notes that as per the responses filed by the producers in the subject countries, the producers have dumped the

product under consideration in India. The dumped prices cannot be considered as prices due to normalisation of the market post COVID-19.

## **K. CONCLUSION AND RECOMMENDATIONS**

144. After examining the submissions made by all the interested parties and issues raised therein; and considering the facts available on record, the Authority concludes that:

- i. The product under consideration is multi-layer board made of white / virgin wood pulp, whether coated or uncoated, and is also known as Virgin Multi-Layer Paperboard, predominantly for packaging application. The product under consideration is made up of multiple layers of paper bonded together. The product under consideration comes in various grades. The product under consideration includes Folding Box Board (FBB), Solid Bleached Sulfate Board (SBS), Cup Stock Paper or Board and Liquid Packaging Board, all in the range of 140 to 450 GSM. The scope of the product under consideration excludes the following:
  - a. Paperboards made out of recycled/brown pulp or fibre.
  - b. Coated/uncoated cigarette boards.
  - c. Two side coated artboard when imported for printing purposes.
  - d. Four or more layered paperboard, either coated, uncoated or laminated with plastic material, aluminium, or other metal for liquid packaging material.
- ii. The domestic industry has produced and sold cup stock paperboards in the domestic market during the period of investigation. Hence, the same has not been excluded from the product scope.
- iii. Demand-supply gap for a product grade is not a justification for exclusion of a product type from the scope of the product under consideration.
- iv. The product under consideration is used for packaging purposes. Coated artboard is majorly used for printing purposes and not packaging. Thus, the Authority has excluded art boards, when imported for printing purposes.
- v. Coated and uncoated cup stocks are included within the scope of the product under consideration. The type of coating does not lead to exclusion of the same from the scope of the product under consideration.
- vi. Cigarette Boards have been imported at higher prices and have not been dumped into India. There is no justification for including cigarette boards in the scope of the product under consideration.
- vii. The domestic industry has produced and sold liquid packaging board in the domestic market during the period of investigation. Further, the said product has been imported from the subject countries. Thus, the same has not been excluded from the scope of the product under consideration.
- viii. The domestic industry has not produced and sold four or more layered processed paperboard, coated or laminated with plastic material, aluminium, or other metals

for liquid packaging material. Accordingly, the same has been excluded from the scope of the investigation.

- ix. Subject to the above, the product produced by the domestic industry is like article to the product imported from the subject countries.
- x. The applicant domestic producers have not imported the subject goods from the subject countries during the period of investigation and are not related to any producer of the subject goods in the subject countries or any importers in India.
- xi. The application has been filed by Indian Paper Manufacturers Association on behalf of all domestic producers in India. There are total of 6 producers in India, 5 of whom have provided detailed information for the purpose of the present investigation. West Coast Paper Limited has supported the application for imposition of anti-dumping duty.
- xii. The applicant domestic producers accounts for majority of the proportion in the Indian production, and therefore, constitute domestic industry as per Rule 2(b).
- xiii. The claims of confidentiality made in the support letter have been accepted as the information pertains to one producer and disclosure of such information would have adverse impact on the interests of the said producer.
- xiv. Claims of confidentiality regarding profitability information of the domestic industry is accepted as disclosure of such information would lead to disclosure of costing and profitability information, which would be prejudicial to the competitive interests of the domestic industry.
- xv. Imposition of minimum import price is not a justification for termination of present investigation, as subject goods have been found to be dumped and are causing injury to the domestic industry.
- xvi. China PR has been treated as a non-market economy and the Authority has determined export price for Chinese producer based on the response filed by them.
- xvii. The dumping margin for all producers from the subject countries is positive and significant.
- xviii. The Authority has undertaken cumulative assessment of injury as the conditions for cumulative assessment have been met in the present investigation.
- xix. The demand for the subject goods has increased in the injury period.
- xx. The domestic industry has suffered material injury, as can be seen from the following.
  - a. The volume of subject imports increased over the injury period in absolute terms as well as in relation to production and consumption in India.
  - b. The subject imports have increased at a pace higher than rate of increase in demand.
  - c. Imports are undercutting the prices of the domestic industry and the price undercutting is positive and significant.

- d. The subject imports have suppressed and depressed the prices of the domestic industry. The domestic industry has been forced to reduce its selling prices more than the decline in its cost of sales.
  - e. The installed capacity and production of the domestic industry has increased in the injury period.
  - f. The domestic industry has been able to maintain capacity utilisation by compromising of profits to maintain sales.
  - g. Since export sales form a minute segment of production of the domestic industry, injury to the domestic industry cannot be attributed to such exports.
  - h. The market share of the subject imports has increased over the injury period.
  - i. Even though the domestic industry has sold the subject goods at losses, the inventories have increased.
  - j. The increase in inventories is not due to decline in export sales as the inventories have increased much more than the decline in exports.
  - k. The profitability of the domestic industry has declined significantly over the injury period. The domestic industry has incurred financial losses during the period of investigation.
  - l. The cash profits and return on capital employed of the domestic industry has declined significantly over the injury period. The return on capital employed of the domestic industry is only [2%].
  - m. The subject imports are priced below the selling price and cost of sales of the domestic industry and have adversely impacted the prices of the domestic industry.
  - n. The ability of the domestic industry to raise capital investment has been adversely impacted.
- xxi. The landed price of imports is below the non-injurious price of the domestic industry. The injury margin determined for all producers from the subject countries is positive and significant.
- xxii. The injury to the domestic industry is due to dumping in the Indian market. No other known factor has caused injury to the domestic industry.
- xxiii. Imposition of anti-dumping duty will not be against public interest as evident from the following.
- a. The product under consideration is used for packaging purposes and is not a raw material for production of any downstream product.



- b. The prices of the product under consideration do not directly impact the prices of downstream products.
- c. There is no evidence adverse impact on users in case of imposition of anti-dumping duty. The impact of imposition of duties is less than 0.5%.
- d. There is no demand-supply gap in the country. The capacity of the Indian industry is enough to cater to the entire demand in India.
- e. \*\*\* is planning capacity expansion. Since the domestic industry has incurred losses in the period of investigation, the present situation is not conducive of any further investment.

145. The Authority notes that the investigation was initiated and notified to all interested parties and adequate opportunity was given to the domestic industry, exporters, importers and other interested parties to provide positive information on the aspect of dumping, injury and causal link. Having initiated and conducted the investigation into dumping, injury and causal link in terms of the provisions laid down under the Anti-Dumping Rules, the Authority is of the view that imposition of anti-dumping duty is required to offset dumping and injury. Therefore, the Authority considers it necessary and recommends imposition of anti-dumping duty on imports of subject goods from the subject countries.

146. Having regard to the lesser duty rule followed by the Authority, the Authority recommends imposition of anti-dumping duty equal to the lesser of margin of dumping and the margin of injury, so as to remove the injury to the domestic industry. Accordingly, the Authority recommends imposition of anti-dumping duty on the imports of the subject goods, originating in or exported from the subject countries for a period of 5 years, from the date of notification to be issued in this regard by the Central Government, equal to the amount indicated in Col. 7 of the duty table appended below.

#### **Duty Table**

SN	Heading	Description	Country of Origin	Country of export	Producer	Amount	Unit	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	4805 and 4810	Virgin Multi-Layer Paperboard *	China PR	Any country including China PR	Ningbo Asia Pulp & Paper Co., Ltd	152.27	MT	USD
2.	-do-	-do-	China PR	Any country	Guangxi Jingui Pulp & Paper Co, Ltd	152.27	MT	USD

				including China PR				
3.	-do-	-do-	China PR	Any country including China PR	Ningbo Asia Unpolluted Paper Products Co., Ltd	152.27	MT	USD
4.	-do-	-do-	China PR	Any country including China PR	Shandong Bohui Paper Industry Co, Ltd	152.27	MT	USD
5.	-do-	-do-	China PR	Any country including China PR	Jiangsu Bohui Paper Industry Co, Ltd	152.27	MT	USD
6.	-do-	-do-	China PR	Any country including China PR	Any, other than those mentioned at S.N. 1 to S.N. 5.	221.36	MT	USD
7.	-do-	-do-	Any country other than China PR and Chile	China PR	Any	221.36	MT	USD
8.	-do-	-do-	Chile	Any country including Chile	Any	123.18	MT	USD
9.	-do-	-do-	Any Country other than China PR and Chile	Chile	Any	123.18	MT	USD

*\* Multi-layer board made of white / virgin wood pulp, whether coated or uncoated, also known as Virgin Multi-Layer Paperboard, predominantly used for packaging application. The product under consideration includes Folding Box Board (FBB), Solid Bleached Sulfate Board (SBS), Cup Stock Paper or Board and Liquid Packaging Board, all in the range of 140 to 450 GSM. The scope of the product under consideration excludes the following:*

- i. Paperboards made out of recycled/brown pulp or fibre.*
- ii. Coated/uncoated cigarette boards.*
- iii. Two side coated artboard when imported for printing purposes.*
- iv. Four or more layered paperboard, either coated, uncoated or laminated with plastic material, aluminium, or other metal for liquid packaging material.*

**L. Further Procedure**

147. 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.



**(Siddharth Mahajan)  
Designated Authority**