

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

No. 7/12/2024-DGTR  
Government of India  
Department of Commerce  
Ministry of Commerce & Industry  
Directorate General of Trade Remedies  
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New Delhi – 110001

Date: 30<sup>th</sup> September, 2024

**INITIATION NOTIFICATION**

Case No. AD(SSR)- 04/2024

**Subject: Sunset review anti-dumping investigation against imports of “Black Toner - in powder form” from China PR, Malaysia and Taiwan**

1. M/s Pure Toners and Developers Pvt Ltd and M/s. Indian Toners and Developers Ltd. (hereinafter referred to as 'applicants') have filed an application before the Designated Authority on behalf of domestic industry, in accordance with the Customs Tariff Act, 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 as amended from time to time (hereinafter referred as the 'Rules'), for initiation of sunset review investigation concerning imports “Black Toner - in powder form”, (hereinafter also referred to as ‘subject goods’) originating in or exported from China PR, Malaysia and Taiwan (hereinafter referred to as ‘subject countries’).
2. The applicants have alleged likelihood of continuation or recurrence of dumping of subject goods, originating in and exported from the subject countries and consequent injury to the domestic industry and have requested for review and continuation of the period of the imposition of the existing anti-dumping duties imposed on the imports of subject goods, originating in or exported from the subject countries.

A. **Background**

3. The Authority issued a public notice *vide* Notification No. 6/6/2020 - DGTR dated 10<sup>th</sup> February, 2020 initiating anti-dumping investigation against imports of subject goods originating in or exported from subject countries. The Authority issued Preliminary Finding *vide* Notification No 6/6/2020-DGTR, dated 18<sup>th</sup> June, 2020, recommending imposition of provisional Anti-dumping duty on the imports of the subject goods originating in or exported from subject countries. The provisional anti-dumping duty was

imposed by Ministry of finance *vide* notification number 22/2020- Customs (ADD) dated 10th August, 2020.

4. The Authority issued Final Finding *vide* Notification No. 6/6/2020-DGTR, dated 28<sup>th</sup> January, 2021, recommending imposition of Anti-dumping duty on the imports of the subject goods originating in or exported from subject countries. The anti-dumping duty was imposed by Ministry of finance *vide* notification number 12/2021- Customs (ADD) dated 05<sup>th</sup> March, 2021 w.e.f from the date of imposition of the provisional anti-dumping duty i.e., 10<sup>th</sup> August, 2020.

**B. Product under Consideration**

5. The product under consideration is Black Toner in Powder Form. The following types of Toners are not covered within the scope of the investigation.

a) Color Toner

b) MICR Toner (Specialized Toner used for printing in Cheques)

c) Toners imported for the use by Original Equipment Manufacturers of Printing Equipment

d) Toner in Cartridge

e) Toner in liquid form

6. The present petition being for sunset review investigation, as per the settled jurisprudence and the past practices of the Authority, the Product under Consideration remains the same as defined in the original notification.

7. The subject products are classified under Chapter Heading 37 “Photographic or cinematographic goods” of the Customs Tariff Act. The classification at the 8-digit level is 37079010. However, it has been also noted from the import data that the subject goods were also imported under 37079090 HS classification. Moreover, it is also submitted that the custom classification is indicative only and in no way binding upon the product scope. The product description prevails in circumstances of conflict.

**C. Like Article**

8. The applicant has claimed that the goods produced by the domestic industry are identical to the subject goods exported from subject countries. Subject goods produced by the domestic industry are comparable to the imported goods from subject countries in terms of technical specifications, manufacturing process & technology, functions & uses, pricing, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable and should be treated as, like article, under the Rules. Therefore, for the purpose of the present investigation, the subject goods produced by the

domestic industry are being treated as 'Like Article, to the subject goods being imported from subject countries.

**D. Domestic Industry & Standing**

9. The request for the sunset review has been filed by M/s Pure Toners and Developers Pvt Ltd and M/s. Indian Toners and Developers Ltd., who are the only producers (100%) of the product under consideration in India during POI. The Authority notes that the applicants hold 100% share in total domestic production and has certified that it has neither imported the subject goods from the subject country nor is it related to any exporter or importer of the subject goods in India. Therefore, for the purpose of initiation Authority has considered that the applicants can be termed as eligible Domestic Industry in terms of the Rule 2(b). Further, the applicants also pass the test of standing under Rule 5(b).

**E. Subject Countries**

10. The subject country in the present sunset review investigation is China PR, Malaysia and Taiwan.
11. The applicants have alleged that there are no exports of the subject goods to India from Malaysia during the period of injury due to imposition of the anti-dumping duties. Therefore, there is strong *prima facie* likelihood of dumping of the subject goods and consequent injury to the domestic industry from Malaysia if the duty is allowed to expire.

**F. Likelihood of continuation or recurrence of Dumping**

**Normal Value for China PR**

12. The applicant has requested to consider China PR as a non-market economy, unless the producers from China PR demonstrate that market economy conditions prevail in the industry with regard to the production and sales of the subject goods in accordance with Para 7 of Annexure-I to the Anti-Dumping Rules, 1995.
13. Therefore, for the purpose of initiation of this investigation, the normal value has been constructed based on the estimates of the cost of production of the applicant duly adjusted with selling, general and administrative expenses, along with a reasonable profit margin.

**Normal Value for Taiwan**

14. The normal value for Taiwan has been considered based on estimates of cost of production of subject goods as per best available information after duly adjusting selling, general & administrative expense with reasonable profit.

### **Export Price**

15. The export price of the subject goods from the subject countries has been determined from the DG Systems data with due price adjustments on account of Ocean freight, Marine insurance, Port expenses, Bank charges etc.

### **Dumping Margin**

16. Considering the normal value and export price determined as above, dumping margin has been determined, in accordance with Section 9 A(1)(a) of the Act. It is noted that dumping margin from China PR and Taiwan are negative.
17. The domestic industry has submitted that as per their market intelligence, the exporters / importers of the subject goods are giving post imports discounts to undercut the prices of the domestic industry. Accordingly, the below computation of the dumping margin is not reflective of the actual market condition. The domestic industry has also requested to examine this issue and adjust the post imports discounts from the import price to calculate the dumping margin.

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

18. The Authority notes that there is *prima facie* evidence that dumping and consequential injury to the domestic industry is likely in the event of cessation of anti-dumping duty. The domestic industry has claimed that its performance has improved on account of the imposition of the duties, making it vulnerable to injury in the event of cessation of duty. There is sufficient *prima facie* evidence of likelihood of continuation or recurrence of injury and causal link from subject country to justify initiation of the present review investigation. The Applicants have provided information with regard to the surplus capacities, export orientation, and volume of dumped and injurious exports from the subject country to various countries globally, which collectively and cumulatively *prima facie* shows that dumping and consequent injury to the domestic industry is likely in the event of cessation of anti-dumping duty
19. However, in order to examine the likelihood of continuation or recurrence of injury to the domestic industry in the event of cessation of antidumping duty, the Authority may seek post POI data from the applicant domestic industry and the other interested parties for examination.

### **G. Initiation of sunset review investigation**

20. Therefore, on the basis of the duly substantiated application , and having satisfied itself, on the basis of the *prima facie* evidence submitted by the domestic industry, substantiating the likelihood of continuation/ recurrence of dumping and injury, and in accordance with Section 9A(5) of the Act read with Rule 23(1B) of the Rules, the Authority hereby initiates

a sunset review investigation to review the need for continued imposition of the duties in force in respect of the subject goods, originating in or exported from the subject country and to examine whether the expiry of such duty is likely to lead to continuation or recurrence of dumping and injury to the domestic industry.

H. **Period of Investigation (POI)**

21. The period of investigation for the purpose of the present investigation is April 2023 to March 2024 (12 months). The injury investigation period shall cover the periods 2020-21, 2021-22, 2022-23 and the period of investigation.

I. **Procedure**

22. The review will cover all aspects of Final Finding Notification No. 6/6/2020-DGTR dated 28.01.2021 recommending imposition of anti-dumping duty on import of subject goods originating in or exported from subject countries.

23. The provisions of Rules 6,7,8,9,10,11,16,17,18,19 and 20 of the Rule shall be mutatis mutandis applicable in this review.

J. **Submission of information**

24. All communication should be sent to the Designated Authority via email at the email address adgl6-dgtr@gov.in, advl3-dgtr@gov.in, dirl6-dgtr@gov.in, jd15-dgtr@gov.in. It should be ensured that the narrative part of the submission is in searchable PDF/ MS Word format and data files are in MS Excel format.

25. The known exporters in the subject country, the Government of the subject countries through their embassy in India, the importers and users in India known to be concerned with the product are being addressed separately to submit relevant information in the form and manner prescribed within the time-limit set out below.

26. Any other interested party may also make its submissions relevant to the investigation in the form and manner prescribed within the time-limit set out below.

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

K. **Time Limit**

28. Any information relating to the present investigation should be sent to the Designated Authority via email at the email addresses adgl6-dgtr@gov.in, advl3-dgtr@gov.in, dirl6-dgtr@gov.in, jd15-dgtr@gov.in within 30 days from the date of the receipt of the notice as per the Rule 6(4) of the Rules. If no information is received within the prescribed time-

limit or the information received is incomplete, the Authority may record its findings on the basis of the facts available on record in accordance with the Rules.

29. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses within the above time limit.

L. **Submission of Information on Non-Confidential basis**

30. Any party making any confidential submission or providing information on confidential basis before the Authority, is required to simultaneously submit a non-confidential version of the same in terms of Rule 7(2) of the Rules. Failure to adhere to the above may lead to rejection of the response / submissions.
31. The parties making any submission (including Appendices/Annexures attached thereto), before the Authority including questionnaire response, are required to file Confidential and Non-Confidential versions separately.
32. The confidential version shall contain all information which is by nature confidential and/or other information which the supplier of such information claims as confidential. For information which are claimed to be confidential by nature or the information on which confidentiality is claimed because of other reasons, the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed.
33. In case confidentiality is claimed on any part of the questionnaire's response/ submissions, the same must be submitted in two separate sets (a) marked as Confidential (with title, index, number of pages, etc.) and (b) other set marked as non-confidential (with title, index, number of pages, etc.). All the information supplied must be clearly marked as either "confidential" or "non-confidential" at the top of each page.
34. Information supplied without any confidential marking shall be treated as non-confidential and the Authority shall be at liberty to allow the other interested parties to inspect any such non-confidential information. Two (2) copies of the confidential version and two (02) copies of the non-confidential version must be submitted by all the interested parties.
35. For information claimed as confidential; the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed and/or why summarization of such information is not possible.
36. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out /summarized depending upon the information on which confidentiality is claimed. The non-confidential summary must

be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, parties submitting the confidential information may indicate that such information is not susceptible to summarization; a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.

37. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.
38. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim may not be taken on record by the Authority. The Authority on being satisfied and accepting the need for confidentiality of the information provided; shall not disclose it to any party without specific authorization of the party providing such information. Inspection of Public File

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

39. A list of registered interested parties will be uploaded on DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions to all other interested parties.

N. **Non-Cooperation**

40. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.



**(Darpan Jain)**  
**Designated Authority**