

MINISTRY OF COMMERCE AND INDUSTRY**(Department of Commerce)****(Directorate General of Trade Remedies)**New Delhi the 6th May, 2025**FINAL FINDINGS****CASE NO. ADD-AD(SSR) - 04/2024****Subject: Sunset Review of Anti-dumping investigation concerning imports of "Black Toner in powder form" originating in or exported from China PR, Malaysia and Taiwan**

F. No. 7/12/2024 -DGTR.— Having regard to the Customs Tariff Act, 1975, as amended from time to time (hereinafter also referred to as “the Act”) and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules 1995, as amended from time to time (hereinafter also referred to as “AD Rules”) thereof.

The Designated Authority (hereinafter referred to as “the Authority”) received an application from M/s Pure Toners and Developers Pvt Ltd and M/s. Indian Toners and Developers Ltd (hereinafter referred to as the “applicants” or the “domestic industry”) seeking initiation of a sunset review of the anti-dumping duty imposed on imports of “Black Toner in powder form” or the “subject goods” or “product under consideration” or the “PUC”, originating in or exported from China PR, Malaysia and Taiwan (hereinafter referred to as the “subject countries”).

A. BACKGROUND OF THE CASE

1. The original investigation concerning imports of the subject goods from the subject countries was initiated by the Authority *vide* Notification No. 6/6/2020 - DGTR dated 10th February, 2020. The Authority issued Preliminary Finding *vide* Notification No 6/6/2020-DGTR, dated 18 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.
2. Thereafter, the Final Findings were issued by the Authority *vide* Notification No. 6/6/2020-DGTR, dated 28th 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 05th March, 2021 w.e.f from the date of imposition of the provisional anti-dumping duty i.e., 10th August, 2020.
3. 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 initiated the investigation on 30.09.2024 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 countries, and to examine whether

the expiry of existing anti-dumping duty is likely to lead continuation or recurrence of dumping and consequent injury to the domestic industry.

B. PROCEDURE

4. The following procedure has been followed with regard to this 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 30.09.2024 published in the Gazette of India Extraordinary, initiating anti-dumping investigation concerning imports of the subject goods from the subject countries.
 - c) The Authority sent a copy of the initiation notification to the Embassies of the subject countries in India, known producers/exporters from the subject countries and known importers/users as per the addresses made available by the Applicants 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 Embassies of the subject countries in India in accordance with Rule 6(3) of the Rules.
 - e) The Embassies of the subject countries in India were also requested to advise the exporters/producers from their countries to respond to the questionnaire within the prescribed time limit. A copy of the letter and questionnaire sent to the producers/exporters was also sent to them along with the names and addresses of the known producers/exporters from their countries.
 - f) The Authority sent Exporter's questionnaires to the following known producers/exporters in the subject countries in accordance with Rule 6(4) of the Rules:
 - i. Hubei Far East, China PR
 - ii. Wuhan Point Role, China PR
 - iii. Handan Hangguang, China PR
 - iv. Wuxi jiateng, China PR
 - v. Dinglong, China PR
 - vi. Nanjing Teshine, China PR
 - vii. Comet, China PR
 - viii. Wuhan Techwin Toner and Developer Limited, China PR
 - ix. Jadi, Malaysia
 - x. TTI, Taiwan
 - g) The producers/exporters from the subject countries who have not submitted the questionnaire response or have not cooperated in the investigation have been treated as non – cooperative in the investigation.
 - h) The Authority sent Importer's Questionnaire to the following known importers/users of subject goods in India calling for necessary information in accordance with Rule 6(4) of the Rules:
 - i. Vedica Computer Pvt. Ltd.
 - ii. Datalink industrial corporation
 - iii. Atul Automation Private Ltd.

- iv. Cartridgewala.com
 - v. Copytron Technology
 - vi. Indrayani Sales Pvt. Ltd.
 - vii. Best Mega international
 - viii. Sumanglam international private limited
 - ix. Rank office automation P Ltd.
 - x. Image Star Print Solutions Pvt Ltd
- i) The Authority, upon request, granted extension to file the respective questionnaire responses till 17th November 2024.
- j) In response, the following exporters/producers from the subject countries filed exporter's questionnaire response:

China PR

- i. HG Technologies Co. Ltd
- ii. Handan Hanguang OA Toner Co., Ltd

Taiwan

- i. Trend Tone Imagine Inc.
- k) In response, only Indigo Prints Smart Pvt Ltd. filed importer's questionnaire response/legal submissions. Exporters, foreign producers and other interested parties who have not responded to or not supplied relevant information to this investigation, have been treated as non-cooperating interested parties.
- l) The Authority made available the non-confidential version of the submissions made by the various interested parties. A list of all the interested parties was uploaded on the DGTR website along with request to all of them to email non-confidential version of their submissions to all other interested parties
- m) Request was made to the DG System to provide the transaction-wise details of imports of subject goods for the past three years, and the period of investigation, which was received by the Authority. The Authority has relied upon the DG System Data for computation of the volume of imports and its analysis after due examination of the transactions.
- n) The Non-Injurious Price (NIP) has been determined based on the cost of production and cost to make & sell the subject goods in India based on the information furnished by the Domestic Industry on the basis of Generally Accepted Accounting Principles (GAAP) and Annexure III to the Rules so as to ascertain whether Anti-Dumping duty lower than the dumping margin would be sufficient to remove injury to the Domestic Industry.
- o) The Period of Investigation for the purpose of the present anti-dumping investigation is from 1st April, 2023 to 31st March, 2024 (12 Months). The injury investigation period has been considered as the period from April 2020 - March 2021, April 2021- March 2022, April 2022 - March 2023 and the POI.
- p) 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 this final finding, to the extent possible and verified the data documents submitted by the domestic industry and the interested parties to the extent considered relevant, practicable and necessary.
- q) 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.

- r) In accordance with Rule 6(6) of the Rules, the Authority also provided opportunity to all interested parties to present their views orally through an oral hearing held on 18th February, 2025. All the registered interested parties who had attended the oral hearing were also provided an opportunity to file written submissions, followed by rejoinders, if any.
- s) A Disclosure Statement containing the essential facts in this investigation was issued to the interested parties on 22.04.2025 and the interested parties were allowed time upto 29.04.2025 to comment on the same. The comments on Disclosure Statement received from the interested parties have been considered, to the extent found relevant, in this Final Findings Notification.
- t) Desk verification was carried out by the Authority to verify the information filed by the domestic industry and other interested parties. Only such verified information with necessary rectification, wherever applicable, has been relied upon for the purpose of final finding.
- u) “****” Sign, in this final finding represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
- v) The exchange rate adopted by the Authority for the subject investigation is US\$= Rs. 83.70.

C. PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

- 5. At the stage of initiation, the product under consideration was defined as:
 - a) The product under consideration is Black Toner in powder form. Toner is used in laser printers, photocopiers, digital multifunction devices (MFD), etc. to form the printed text and images on the paper.
 - b) The PUC is 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. The customs classification is only indicative and is not binding on the scope of the product under consideration.
 - c) The following Toners are not covered within the scope of the investigation:
 - i. Color Toner
 - ii. MICR Toner (Specialized Toner used for printing in Cheques)
 - iii. Toners imported for the use by Original Equipment Manufacturers of Printing Equipment
 - iv. Toner in Cartridge
 - v. Toner in liquid form

Submissions of Other Interested Parties

- 6. All the toner types not manufactured by the domestic industry need to be excluded from the scope of the investigation even if it is a sunset review. The error committed in the original investigation should not be allowed to be carried forward in this investigation.

7. The Authority must determine a suitable PCN methodology for ensuring apple to apple comparison between the domestic products and imported products and for fair determination of dumping and injury margins.

Submissions by the Domestic Industry

8. The submissions made by the Domestic Industry with regard to product under consideration and like article are as follows:
 - a) The Product under Consideration in the present application is "Black Toner in powder form". It is used in laser printers, photocopiers, digital multifunction devices (MED), etc. to form the printed text and images on the paper.
 - b) The following Toners are not covered in the scope of the investigation:
 - i. Color Toner
 - ii. MICR Toner (Specialized Toner used for printing in Cheques)
 - iii. Toners imported for the use by Original Equipment Manufacturers of Printing Equipment
 - iv. Toner in Cartridges
 - v. Toner in liquid form
 - c) The product under consideration is classified under Chapter Heading 37 of the Customs Tariff Act. The classification at the 8-digit level is 37079010. However, it has been noted from the import data that the subject goods were also imported under 37079090 HS code.
 - d) There is no difference in product produced by the Applicants and that exported from the subject countries.
 - e) 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 since the present investigation is a sunset review investigation. The Authority has also categorically noted the same in para no. 6 of the initiation notification of the present investigation. The text of the same is reproduced below.

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.
 - f) In terms of para no. 28 of the initiation notification of the present investigation, any information relating to the present investigation should be sent to the Designated Authority within 30 days from the date of the receipt of the notice as per the Rule 6(4) of the Rules. However, no comments were filed by any interested parties on the issue of PUC and, therefore, the contention of the said party cannot be entertained at this stage of the investigations.
 - g) The issue of PCNs has not been raised by any of the cooperating producers / exporters. Only an importer namely M/s Indigo Prints Smart Pvt Ltd. has raised the issue, *albeit* at such a belated stage of the investigations.
 - h) Certain interested parties had raised the issue of PCN in the original investigation. However, the Hon'ble Authority rightly rejected their claim since no evidences were filed to show significant variation between the cost and prices among various grades / types. The relevant excerpts from the final findings of the original investigation are provided below.

Para 14(c) of original Final Findings

Some of the interested parties have requested to adopt the PCN methodology. The Authority notes that the interested parties have not provided evidences to show significant variation between the cost and prices among various grades / types. The PCN methodology is required only in cases where there are multiple grades and forms of the PUC/like article and there is a substantial cost and price difference between these grades and forms. Accordingly, after examining the contentions of various interested parties, it has been found appropriate not to carry out PCN wise analysis in the present investigation.

Examination by the Authority

9. The submissions made by the Domestic Industry and other interested parties with regard to the PUC related issues have been examined and addressed as under:
 - a) It has been noted that certain interested parties have claimed exclusion of certain grades / types of the subject goods from the product under consideration without providing any basis or evidences for such claims. This issue had already been examined in the original investigation. Therefore, the Authority does not find any merit in their claims for exclusion.
 - b) M/s Indigo Prints Smart Pvt Ltd., an importer has requested to adopt the PCN methodology. It is noted that none of the cooperating producers / exporters requested to adopt PCN methodology. The PCN methodology is required only in cases where there are multiple grades and forms of the PUC/like article and there is a substantial cost and price difference between these grades and forms. The Authority notes that the importer has not provided evidence to show significant variation between the cost and prices among various grades / types. Accordingly, after examining the contentions of the importer, it has been found appropriate not to carry out PCN wise analysis in the present investigation.
10. In view of the above, the product under consideration is Black Toner in Powder Form, and scope of the PUC remains the same as that in the original investigation.
11. 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
12. 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. The customs classification is indicative only and is in no way binding on the scope of the present investigation.
13. From the information available on record, it has been noted that the product under consideration produced by the domestic industry is like article to the goods imported from the subject countries. Product under consideration 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. It is noted that the imported and the domestically sold

products are technically and commercially substitutable, and the consumers are using the two interchangeably.

D. SCOPE OF DOMESTIC INDUSTRY & STANDING

Submission of other interested parties

14. M/s Pure Toners & Developers Pvt Ltd (one of the applicants) is related to M/s Copystar Export (India) Pvt Ltd, which is a major importer of Black Toner Powder from the subject country. Accordingly, applicant is not eligible to be considered as a domestic industry.
15. It has been claimed by the applicants in the application that they are the only producers of the subject goods in India despite the fact that at least one more producer of the subject goods very much exists in India since May, 2018. The applicants have made misdeclaration in their application.

Submissions by the Domestic Industry

16. The submissions made by the Domestic Industry during the course of the investigation with regard to scope of Domestic Industry & standing are as follows:
 - a) None of the cooperating producers / exporters has filed any submissions regarding standing.
 - b) The Applicants, M/S Pure Toners and Developers Pvt. Ltd and M/s Indian Toners and Developers Ltd., are producers of the subject goods in India. The domestic industry has claimed that they are the only manufacturers of the subject goods based on their best available information.
 - c) Even in the original investigation, the interested parties made a baseless claim that there are other domestic producers who are manufacturing PUC. However, none of the so-called other domestic producers filed any submission claiming that they are engaged in the manufacturing of PUC.
 - d) The investigation was initiated on 30.09.2024. None of the so-called other domestic producers filed any submissions claiming that they are manufacturer of PUC.
 - e) The Applicants have not imported the product under consideration from subject countries or any exporter from the subject countries.
 - f) The Applicants account for 100% of the total Indian production of PUC. The Applicants thus hold a major proportion of total Indian production of the PUC and accordingly, satisfy the requirement of standing and constitute 'Domestic Industry' in terms of Rule 2(b) read with Rule 5(3) of the Rules.
 - g) Copystar Export (India) Pvt Ltd is an importer of the NPUC (like developer, color toner etc.) from China PR and not PUC as is also clearly evident from the import data provided by the importer (M/s Indigo Prints Smart Pvt Ltd.) as Annexure C of their written submissions. Kind attention of the Authority is invited to the fact that the declaration regarding relationship is provided in terms of the imports of PUC from the subject country and not in the context of other countries as the word used in Rule 2(b) is "alleged dumped article". In order to substantiate our claim in this context, kind attention of the Authority is invited to Rule 2(b) of the Anti-dumping Rules. The relevant text of the same is reproduced below.

Rule 2 (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 “domestic industry” may be construed as referring the rest of the producers.

- h) Without prejudice to the above, it is submitted that M/s Pure Toners Pure Toners & Developers Pvt Ltd. and M/s Copystar Export (India) Pvt Ltd. cannot be considered as “related parties” in terms of the specific provisions of law, the consistent practice of the Authority as well as the jurisprudence on the subject.
- i) Without prejudice to the above, it is respectfully submitted that in plethora of investigations, the Authority has even considered a domestic producer who had imported subject goods during the POI from the subject countries as an eligible domestic industry.
- j) The eligibility or ineligibility of Pure Toners in any case would not have any material difference in the facts of the present case. Admittedly, there are only two producers of the subject goods in the country. Since both the domestic producers are applicants in the present investigation, the arguments advanced by the interested parties shall not have any material effect on the case either way.

Examination by the Authority

17. Rule 2(b) of the Rules provides as follows:

"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.

- 18. It is noted that the application has been filed by M/s Pure Toners and Developers Pvt. Ltd and M/s Indian Toners and Developers Ltd. The Applicants have informed that currently there is no other producer of the product under consideration in India as per their best available information.
- 19. With regard to the claim of the interested parties that M/s Pure Toners cannot be considered as an eligible Domestic Industry in terms of Rule 2(b) as one of their related parties have imported the Product under Consideration from the subject country, the Authority notes that Copystar Export (India) Pvt Ltd. has not imported subject goods from subject countries during the POI as evidenced from the analysis of the DG System data. It has been further noted that Copystar Export (India) Pvt Ltd. has imported color toner and developer during the POI which are non-product under consideration.
- 20. Interested parties have alleged that there is other Indian producer namely M/s JIT Enterprises, which is also engaged in production of the subject goods in India. This issue was also raised in the original investigation and thoroughly examined. It has been noted that none of the interested parties have provided concrete evidences to substantiate their claim. Further, none of the domestic producer has claimed that they are manufacturing the subject goods.

21. Based on the information on record, the Applicants account for 100% of the total Indian production and constitute a major proportion. It is noted that the Applicants have not imported the product under consideration and are not related to any importer in India or any exporter from the subject countries.
22. Accordingly, the Authority holds that the Applicants satisfy the standing requirement and constitute the Domestic Industry in terms of Rule 2(b) and Rule 5(3) of the Rules.

E. CONFIDENTIALITY

Submissions of other interested parties

23. The Petitioners have claimed confidentiality on a number of information which to a great extent impairs the ability of Respondents to defend their interests. The petitioner has failed to provide good cause for the purpose of claiming confidentiality on essential facts in the investigation as required under Rule 7 of AD Rules and Art.6.5 of the WTO ADA.

Submission by the domestic industry

24. The producer / exporters and other interested parties have claimed confidentiality on the essential information like organizational chart, shareholder list, related companies' details, production flowchart etc., which has constrained the domestic industry to file its meaningful comments on the information filed by them in their response.
25. It is requested to reject the questionnaire response filed by the producers / exporters as the same are not in accordance with law as the producers / exporters have miserably failed to follow the mandatory provisions.

Examination by the Authority

26. With regard to confidentiality of information, Rule 7 of the Rules provide as follows:

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

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

(3) Notwithstanding anything contained in sub-rule (2), if the designated authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorise its disclosure in a generalized or summary form, it may disregard such information.”

27. 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 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. The Authority made available the non-confidential version of the evidence submitted by various interested parties by directing the interested parties to share the non-confidential version of submissions with each other. Business sensitive information has been kept confidential as per practice.

28. The Authority has considered the claims of confidentiality made by the Applicants and the opposing interested parties and on being satisfied about the same, the authority has allowed the claim on confidentiality.

F. MISCELLANEOUS SUBMISSIONS

Submission of other interested parties

29. The import data sourced from the market intelligence source is not authentic and reliable. The Authority should have called for DGCI&S data for the examination of imports in the present investigation at the time of initiation. In the past, the Authority has always relied upon the data sourced from DGCI&S and not the secondary sources.

Submissions by the Domestic Industry

30. With regard to the claim made by the interested parties that the Authority should have called for DGCI&S data for the examination of imports in the present investigation at the time of initiation, it is submitted that the Hon'ble Authority has indeed calculated the export price of the subject goods from the subject countries at the time of initiation from the DG Systems data as evidenced from para no. 15 of the initiation notification of the present initiation notification. The text of the same is reproduced below.

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.

Examination by the Authority

31. As regards the claim made by the interested parties regarding reliability of the import data, it may be noted that DG Systems data has been considered at the time of the initiation.

G. MARKET ECONOMY TREATMENT (MET), NORMAL VALUE, EXPORT PRICE & DETERMINATION OF DUMPING MARGIN

Submissions by the other interested parties

32. The determination of normal value violates the provision laid down in paragraph 7 of Annexure I of AD rules and is not supported by any evidence in violation of Rule 5(2) and 5(3).
33. The expiration of Section 15(a)(ii) of the Protocol on the Accession of the People's Republic of China to the World Trade Organization on December 11, 2016 means that India, as one of the WTO members, shall be obligated to cease the use of non-market economy methodology in respect of all anti-dumping investigations against China. To be specific, after December 11, 2016, India no longer has legal basis under the WTO Agreements to calculate normal value by using the non-market economy methodology. Any such action by India would be inconsistent with the requirements of the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (the "Anti-Dumping Agreement") and other covered agreements. We believe that it is the Ministry of Commerce and Industry's obligation

as the investigating authority to solicit the information that it requires to calculate the dumping margin in accordance with the WTO rules.

Submissions by the Domestic Industry

34. The following submissions have been made by the Domestic Industry:

Normal Value for China PR

35. China PR has to be presumed to be a non-market economy country in terms of Para 8 of Annexure I of the Anti-dumping Rules, as it has been treated as a non-market economy country for purposes of plethora of anti-dumping investigations by the Designated Authority or also by other competent authorities of WTO member countries during the preceding three years unless the concerned firms / producers / exporters are able to rebut the said presumption based on the criteria laid down in Para 8(2).
36. The normal value for Chinese firms should be determined as per the provisions of Para 7 of the Annexure I. The Applicants tried to get the information of the domestic prices in China PR. However, the applicants were not in a position to obtain any price details for the subject goods in the subject countries, as this information is not available in the public domain. Therefore, the domestic industry has constructed the normal value for the same on the basis of price actually paid or payable in India for the like product, duly adjusted, to include a reasonable profit margin.

Normal Value for Taiwan

37. The Applicant has claimed that they have tried to get the information of the domestic prices in Taiwan. However, the applicants were not in a position to obtain any price details for the subject goods in Taiwan as this information is not available in the public domain. Therefore, the domestic industry has constructed the normal value for the same on the basis of price actually paid or payable in India for the like product, duly adjusted, to include a reasonable profit margin.
38. 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.

Export Price for China PR and Taiwan

39. India is an attractive market for the foreign producers /exporters, which is also evidenced from the fact that two major producers / exporters from subject countries namely Trend Tone imagine Inc. (TTI) and Tianjin Zhonghuan TCOA Electronics Co Ltd (TCOA) resorted to manipulation in the original investigation to get favourable results. This fact is categorically recorded in the Final Findings of the original investigation.
40. Estimation of the period of investigation and period of injury is possible considering the timeframe provided under the law to file the application for the initiation of the sunset review investigation which allows the exporters to plan their sales to India in a manner which would result in a favourable outcome.
41. The applicants have 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.

42. Export price from subject countries has been determined considering volume and value of imports for the period of investigation as per transaction wise data collected from the secondary source. Adjustments have been made for ocean freight, marine insurance, inland transportation, port handling and clearance charges, bank charges, commission, credit cost. However, the export price is not reliable considering the above facts.

Examination by the Authority

Normal value for China PR

43. Article 15 of China's Accession Protocol in WTO provides as follows: Article VI of the GATT 1994, the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 ("Anti-Dumping Agreement") and the SCM Agreement shall apply in proceedings involving imports of Chinese origin into a WTO Member consistent with the following:
- (a) *In determining price comparability under Article VI of the GATT 1994 and the Anti-Dumping Agreement, the importing WTO Member shall use either Chinese prices or costs for the industry under investigation or a methodology that is not based on a strict comparison with domestic prices or costs in China based on the following rules:*
 - (i) *If the producers under investigation can clearly show that market economy conditions prevail in the industry producing the like product with regard to the manufacture, production and sale of that product, the importing WTO Member shall use Chinese prices or costs for the industry under investigation in determining price comparability;*
 - (ii) *The importing WTO Member may use a methodology that is not based on a strict comparison with domestic prices or costs in China if the producers under investigation cannot clearly show that market economy conditions prevail in the industry producing the like product with regard to manufacture, production and sale of that product.*
 - (b) *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.*
 - (c) *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.*
 - (d) *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 provision of subparagraph (a)(ii) shall expire 15 years after the date of accession. In addition, should China establish, pursuant to the national law of the importing WTO member, that market economy conditions prevail in a particular industry or sector, the nonmarket economy provisions of subparagraph (a) shall no longer apply to that industry or sector."*

44. It is noted that while the provision contained in Article 15 (a) (ii) have expired on 11.12.2016, the provision under Article 2.2.1.1 of WTO, read with obligation under 15 (a) (i) of the Accession Protocol require the criterion stipulated in Para 8 of the Annexure I of the Rules to be satisfied through the information/data to be provided in the supplementary questionnaire on claiming the market economy status.
45. As none of the producers from China PR have filed a supplementary questionnaire on market economy conditions questionnaire response, the normal value has been determined in accordance with para 7 of Annexure I to the Rules which read as under:

“7. In case of imports from non-market economy countries, normal value shall be determined on the basis of the price or constructed value in a market economy third country, or the price from such a third country to other countries, including India, or where it is not possible, on any other reasonable basis, including the price actually paid or payable in India for the like product, duly adjusted, if necessary, to include a reasonable profit margin. 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 the selection. Account shall also be taken within time limits; where appropriate, of the investigation if any made in similar matter in respect of any other market economy third country. The parties to the investigation shall be informed without unreasonable delay the aforesaid selection of the market economy third country and shall be given a reasonable period of time to offer their comments.

8. (1) *The term "non-market economy country" means any country which the designated Authority determines as not operating on market principles of cost or pricing structures, so that sales of merchandise in such country do not reflect the fair value of the merchandise, in accordance with the criteria specified in subparagraph (3).*
- (2) *There shall be a presumption that any country that has been determined to be, or has been treated as, a non-market economy country for purposes of an antidumping investigation by the designated Authority or by the competent Authority of any WTO member country during the three-year period preceding the investigation is a non-market economy country. Provided, however, that the non-market economy country or the concerned firms from such country may rebut such presumption by providing information and evidence to the designated Authority that establishes that such country is not a non-market economy country on the basis of the criteria specified in sub-paragraph (3).*
- (3) *The designated Authority shall consider in each case the following criteria as to whether: (a) the decisions of the concerned firms in such country regarding prices, costs and inputs, including raw materials, cost of technology and labour, output, sales and investment, are made in response to market signals reflecting supply and demand and without significant State interference in this regard, and whether costs of major inputs substantially reflect market values; (b) the production costs and financial situation of such firms are subject to significant distortions carried over from the former non-market economy system, in particular in relation to depreciation of assets, other write-offs, barter trade and payment in compensation of debts; (c) such firms are subject to bankruptcy and property laws which guarantee legal certainty and stability for the operation of the firms, and (d) the exchange rate conversions are carried out at the market rate. Provided, however, that where it is shown by sufficient evidence in writing on the basis of the criteria specified in this paragraph that market conditions prevail for one or more such firms subject to anti-dumping investigations, the designated the Authority may apply the principles set out*

in paragraphs 1 to 6 instead of the principles set out in paragraph 7 and in this paragraph.

- (4) *Notwithstanding, anything contained in sub-paragraph (2), the designated Authority may treat such country as market economy country which, on the basis of the latest detailed evaluation of relevant criteria, which includes the criteria specified in sub paragraph (3), has been, by publication of such evaluation in a public document, treated or determined to be treated as a market economy country for the purposes of anti- dumping investigations, by a country which is a Member of the World Trade Organization*
46. Para 7 lays down hierarchy for determination of normal value and provides that normal value shall be determined on the basis of price or constructed value in a market economy third country, or the price from such a third country to any other country, including India, or where it is not possible, on any reasonable basis, including the price actually paid or payable in India for the like article, duly adjusted, if necessary, to include a reasonable profit margin. Thus, the Authority notes that the normal value is required to be determined having regard to the various sequential alternatives provided under Annexure-I.
47. It is to be noted that no information/evidence has been provided by the parties for the construction of the normal value on the basis of the first and second methods. In the absence of the above information/evidence, the Authority is unable to determine normal value on the basis of the first or second method. Therefore, the Authority has decided to construct normal value based on the third method, i.e., on any other reasonable basis including the price actually paid or payable in India during the period of investigation. The Authority has constructed the normal value on the basis of the price paid or payable in India.

Export Price for Handan Hanguang OA Toner Co., Ltd. alongwith its related producer HG Technologies Co., Ltd., China PR

48. The Authority notes that Handan Hanguang OA Toner Co., Ltd. along with its related Producer namely HG Technologies Co., Ltd., China PR have responded and have provided the information to determine the Net Export Price (NEP). It was observed that Handan Hanguang OA Toner Co., Ltd had exported *** MT of the subject goods to India during the POI, out of which *** MT were material produced from its related producer HG Technologies Co., Ltd and balance *** MT were produced by them. Both Handan Hanguang OA Toner Co., Ltd. along with its Related Producer HG Technologies Co., Ltd have filed the EQR. In view of the above, the Authority has considered the export price based on the exports of *** MT. The expenses on account of inland freight and others have been reduced from their export prices after desk verification. The weighted average net ex-factory export price, after adjustment of the above expenses, is determined and is shown in dumping margin table below.

Export price for all non-cooperative producers/exporters from China PR

49. The export price for other non-cooperative producers / exporters from China PR has been determined based on the facts available in terms of Rule 6(8) of the Rules.

Taiwan

Normal Value for Trend Tone Imaging, Inc.

50. The producer has reported domestic sales of *** MT in the period of investigation. The producer has claimed that all domestic sales are to unrelated parties. The producer has claimed adjustments on account of inland transportation, credit cost and packing cost. The Authority has carried out

ordinary course of trade ("OCT") test. The Authority notes that more than 80% of the total domestic sales were found to be profit making. Therefore, for the purpose of determination of normal value the Authority considered the total domestic sales as the basis for determination of the normal value. The adjustments on account of inland transportation, credit cost and packing cost have been allowed after desk verification. The normal value so determined is mentioned in the dumping margin table.

Normal Value for other producers/exporters in Taiwan

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

Export Price for Trend Tone Imaging, Inc., Taiwan

52. The Authority notes that Trend Tone Imaging, Inc. have responded and have provided the information to determine the Net Export Price (NEP). It is seen that Trend Tone Imaging Inc. has exported *** MT of the subject goods to India during the POI. The expenses on account of ocean freight, inland freight and others have been reduced from their export prices. The weighted average net ex-factory export price, after adjustment of the above expenses, is determined and is shown in dumping margin table below.

Export price for all non-cooperative producers/exporters from Taiwan

53. The export price for other non-cooperative producers / exporters from Taiwan has been determined based on the facts available in terms of Rule 6(8) of the Rules.

Dumping Margin

54. Considering the normal value as constructed above, and export price as determined, the dumping margin determined for the subject countries are as follows:

Country of Origin and/or Export	Name of Producer	Normal Value (USD /MT)	Export Price (USD/MT)	Dumping Margin (DM) (USD / MT)	DM (%)	DM % (Range)
China PR	Handan Hanguang OA Toner Co., Ltd	***	***	***	***	(0-10)
China PR	Any other	***	***	***	***	10-20
Taiwan	Trend Tone Imaging, Inc.	***	***	***	***	80-90
Taiwan	Any other	***	***	***	***	120-130

55. From the above, it is noted that except Handan Hanguang (participating exporter from China PR), dumping margin is positive.

H. METHODOLOGY FOR INJURY DETERMINATION AND EXAMINATION OF INJURY, CAUSAL LINK AND LIKELIHOOD OF CONTINUATION OR RECURRENCE OF DUMPING AND INJURY

H.1 ASSESSMENT OF MATERIAL INJURY AND EXAMINATION OF CAUSAL LINK

Submission by other interested parties

56. The submissions made by other interested parties are as follows:

- a) There is no injury to the Domestic Industry, as imports from the subject countries have declined by 15%, from 1644 MT in 2020-21 to 1400 MT in 2023-24. At the same time, the sales of the domestic industry increased by 69%, from 100 MT in 2020-21 to 169 MT in 2023-24, which is notably higher than the 36% increase in total demand.
- b) There is no price effect from imports from the subject countries, as the cost of sales from these countries has increased more than the cost of sales and net sales realization of the Domestic Industry.
- c) Installed capacity has increased by 31% from 100 MT in 2020-21 to 131 MT in 2023-24, the production quantity of PUC has risen by 76% from 100 MT to 176 MT. However, capacity utilization has declined by 34%, from 142% in 2021-22 to 134% in 2023-24. This decline in capacity utilization is due to the significant expansion in capacity, not because of reduced demand or imports.
- d) Domestic sales increased by 69%, from 100 MT in 2020-21 to 169 MT in 2023-24, indicating a strong performance in the local market. Similarly, export sales also grew by 52%, from 100 MT in 2020-21 to 152 MT in 2023-24, showing an expanding presence in international markets.
- e) Average inventory as a number of days of production has decreased by 12%, from 100 days in 2020-21 to 88 days in 2023-24, suggesting improved inventory efficiency and better alignment of production with demand. Overall, the data reflects effective inventory management practices, ensuring that production and sales are well-supported while minimizing excess stock.
- f) The share of the Domestic Industry has increased significantly from 100% in 2020-21 to 125% in 2023-24, indicating strong growth. In contrast, the share of imports from subject countries has declined significantly by 50%, from 100% in 2020-21 to 50% in 2023-24.
- g) There is a significant improvement in productivity across all metrics. Productivity per day has increased by 76%, from 100 MT in 2020-21 to 176 MT in 2023-24, reflecting higher overall output. Productivity per employee has grown by 42%, from 100 MT.
- h) Profitability such as PBT, PBIT, and PBDIT have all seen impressive growth, with PBT increasing by 288%, and cash profit growing by 203%.
- i) The ROI has improved significantly, increasing by 86%. Overall, the data shows no injury to the Domestic Industry.

Submissions by the Domestic Industry

57. The submissions made by Domestic Industry are as follows:

- a) Domestic industry consists only of MSME companies, and is thankful to the Authority for recommending the duties and protecting the domestic industry from the dumped imports from the subject countries which led to improvement in the performance of the domestic industry, *albeit* in the initial years. However, producers / exporters from the subject countries have continued significant exports of the subject goods. Therefore, continuation of anti-dumping duties would be in the public interest and the discontinuance of anti-dumping duties would certainly lead to continuation and recurrence in even greater extent, of dumping and injury to the domestic industry. It is also submitted that in case duties are not continued, the significant investment made by the domestic industry will be jeopardized and there will be a loss of employment.

- b) Significant capacity additions / investments to the tune of as high as 37% (around *** Crore) were made by the domestic industry post imposition of the duties, which made domestic industry self-sufficient to cater to the total India demand i.e., there is no demand and supply gap.
- c) The industry has also added to the employment in the MSME sector which has been under pressure for quite some time.
- d) The domestic industry filed the application in terms of Rule 23(1B) of the anti-dumping Rules for continued imposition of the existing anti-dumping duty levied on the imports of " Black Toner in Powder Form " (hereinafter also referred to as "subject goods" or "Product under consideration") from China PR, Taiwan and Malaysia (hereinafter also referred to as "subject countries") imposed vide Customs Notification No. 12/2021- Customs (ADD) dated 05th March, 2021 w.e.f. from the date of imposition of the provisional anti-dumping duty i.e., 10th August, 2020. Accordingly, the investigation was also initiated under Section 9A (5) read with Rule 23(1B) which mandates only extension of the period of imposition of duties and not any modification of duties.
- e) The Authority has to reach a conclusion that there is no possibility of any continued dumping or injury or otherwise recurrence of dumping or injury to the domestic industry from the dumped imports from the subject countries before deciding not to extend the anti-dumping duties.
- f) Improvement in the performance of the domestic industry does not imply that the duties cannot be continued. In a sunset review, the Authority is required to undertake a prospective analysis, to evaluate the likely effect of the expiry of duty on the volume and price of imports, and its consequent impact on the performance of the domestic industry in the event duties are withdrawn.
- g) All parties are very well aware of the likely Period of Investigation that would be undertaken by the Authority in any sunset review investigation considering the timeframe provided under the law to file the application for the initiation of the sunset review investigation. It allows the producers / exporters to plan their sales to India in a manner which would result in a favourable outcome. It is for this reason the investigating authorities worldwide analyze likelihood and where likelihood found to be positive, the authorities worldwide including DGTR had recommended continuation of the duties even when there were no imports of the subject goods in the POI. Accordingly, the domestic industry humbly requests the Authority to extend the existing anti-dumping duties for a further period of five years.
- h) Overall imports from subject countries declined in the POI on account of the duties in force, which clearly shows likelihood of recurrence of dumping and injury from subject countries. However, imports from the Taiwan increased significantly from 282 MT in the base year to 696 MT in the POI i.e., by around 146%. The decline in the overall imports may be deliberate to get favourable results in the sunset review investigation considering the following facts:
- Major producers / exporters from the subject countries have a proven history of resorting to manipulation to get favourable results.
 - Precise estimation of the period of investigation and period of injury is possible in a sunset review investigation.
- i) The pattern of trade has changed completely. After imposition of duties, imports from China PR declined while imports from Taiwan increased as duties against Taiwanese producers are lower as compared to Chinese producers.

- j) The apparent decline in the overall imports is, at best, a temporary phenomenon and that there is every likelihood of surge in the dumped imports from the subject countries in the event duties are not continued.
- k) As per the market intelligence of the domestic industry, the exporters / importers of the subject goods are giving post imports discounts to undercut the prices of the domestic industry. The above apprehension is based on our market information of the prices offered by the traders in the market. In view thereof, the export price will not reflect the true picture.
- l) The landed value of the subject goods from China PR declined in the POI as compared to FY 2022-23. Therefore, the domestic industry was forced to reduce its domestic selling price in the POI as compared to FY 2022-23 despite significant increase in the cost during the same period. The dumped imports significantly depressed the prices of the domestic industry. The domestic industry is not able to increase the prices to the level commensurate to the increase in the cost during the POI. It clearly proves beyond any doubt that the domestic industry is suffering on account of imports from the subject countries and that there is every likelihood of continuation or recurrence of dumping and injury to the domestic industry in the event duties are not continued.
- m) The domestic industry has not been able to utilize its capacity on account of the dumped imports from the subject countries. The domestic industry had to match the import prices from the subject countries to achieve the present level of production. This situation clearly depicts the price pressure on the Domestic Industry.
- n) Post-imposition of the duties, domestic industry has increased its capacity significantly to cater the Indian demand. The performance of the domestic industry declined in POI as compared to FY 2022-23 on account of significant dumped imports from subject country. If duties are not continued, the position of the domestic industry will further worsen and may lead to closure of the factory. The investment done by the domestic industry will come in jeopardy.
- o) The domestic industry, which is in the MSME sector, employs more than ***employees. The performance of the domestic industry declined in POI as compared to FY 2022-23 on account of significant dumped imports from subject country. If duties are not continued, the position of the domestic industry will further worsen and may even lead to closure of the factory and large-scale layoffs.
- p) The performance of the domestic industry was adversely impacted in the POI as compared to the FY 2022-23. The landed value from the subject countries declined significantly during the POI as compared to FY 2022-23. It may be noted that the exports realization is better than domestic market.
- q) The average inventories of the domestic industry increased in the POI as compared to the preceding years despite significant increase in the demand on account of the dumped imports from the subject countries.
- r) The performance of the domestic industry declined in the POI as compared to FY 2022-23. The presence of dumped and injurious imports has made the future investment in the sector vulnerable. If duties are not continued, the position of the domestic industry will further worsen and may lead to closure of the factory.

Examination by the Authority

58. Para (iii) of Annexure 11 of the Rules states the following:

"(iii) In cases where imports of a product from more than one country are being simultaneously subjected to anti-dumping investigation, the designated authority will cumulatively assess the effect of such imports, only when it determines that (a) the margin of dumping established in relation to the imports from each country is more than two per cent expressed as a percentage of export price and the volume of imports from each country is three per cent of the import of like article or where the export of individual countries less than three per cent, the imports collectively accounts for more than seven per cent of the import of the like article, and (b) cumulative assessment of the effect of imports is appropriate in light of the conditions of competition between the imported article and the like domestic articles."

59. The Authority notes that:

- a. The margins of dumping from Taiwan are above de minimis limits and significantly positive. The margin of dumping of China PR is negative for the cooperating producer but positive for other producers.
- b. The volume of imports from each of the subject countries is individually more than 3% of total volume of imports.
- c. Cumulative assessment of the effects of imports is appropriate as the exports from the subject countries not only directly compete inter se but also with the like articles offered by the domestic industry in the Indian market.

60. In view of the above, the Authority considers that it would be appropriate to assess injury to the domestic industry cumulatively from imports of the product under consideration from the subject countries.

61. The submissions made by the Domestic Industry with regard to the injury assessment and causal link have been examined in light of various parameters in accordance with the Rule II of the Rules read with Annexure II provides that an injury determination shall involve examination of factors that may indicate injury to the Domestic Industry, *".... taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on domestic producers of such articles"* In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. For the examination of the impact of the dumped imports on the Domestic Industry evaluation of all relevant economic factors and indices having a bearing on the state of the industry such as production, capacity utilization, sales volume, inventory, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the Rules.

Volume Effect of Dumped Imports on the Domestic Industry

(a) Assessment of Demand/Apparent Consumption

62. For the purpose of the present investigation, demand or apparent consumption of the product in India, sum of domestic sales of the Indian Producers and imports from all sources has been taken into consideration. The demand so assessed has increased in the POI and preceding years as compared to the base year.

Particulars	UoM	2020-21	2021-22	2022-23	POI
Imports from China	MT	733	237	127	104
Imports from Taiwan	MT	299	676	775	702
Imports from Subject Countries	MT	1032	913	902	806
Imports from Other Countries	MT	263	544	635	566

Particulars	UoM	2020-21	2021-22	2022-23	POI
Total Imports	MT	1294	1457	1537	1318
% Share of Imports in Total Imports					
Imports from China	%	56.6%	16%	8%	8%
Imports from Taiwan	%	23.1%	46%	50%	53%
Imports from Subject Countries	%	80%	63%	59%	61%
Imports from Other Countries	%	20%	37%	41%	43%
Domestic Sales	MT	***	***	***	***
Trend	Indexed	100	139	171	169
Total Demand	MT	***	***	***	***
Trend	Indexed	100	130	153	146

63. It may be seen that the overall imports from subject countries declined in the POI possibly on account of the duties in force. However, imports from the Taiwan increased significantly from 299 MT in the base year to 702 MT in the POI i.e., by around 135%. It is further noted that the demand of the subject goods increased by 46% in the POI as compared to the base year. It is noted that market share of subject countries in total imports have declined during the injury period while share of non-subject countries have increased.

(b) Import Volumes from the subject countries

64. With regard to the volume of the imports, it is noted that the imports from Taiwan increased significantly from 299 MT in the base year to 702 MT in the POI i.e., by around 135%. The imports from the subject countries in comparison to the Indian production as well as total demand in India has declined in the period of investigation on account of the duties in force. The details are as follows:

Particulars	UoM	2020-21	2021-22	2022-23	POI
Imports from Subject Countries	MT	1,032	913	902	806
Domestic Production	MT	***	***	***	***
Trend	Indexed	100	142	177	176
% Share of subject countries in Production	%	***	***	***	***
Trend	Indexed	100	63	50	44
Demand in India	MT	***	***	***	***
Trend	Indexed	100	130	153	146
% Share of Subject Countries in Consumption	%	***	***	***	***
Trend	Indexed	100	68	57	54

65. It is also noted that the imports of PUC from the subject countries, in relation to production and demand, has declined in the POI as compared to the base year and preceding years, possibly because of existence of the anti-dumping duties. It is further noted that subject goods are being imported from subject countries in the domestic market in not so insignificant volumes.

Price Effect of Dumped Imports on the Domestic Industry

66. With regard to the effect of the dumped imports on prices, it is required to be analysed whether there has been a significant price undercutting by the alleged dumped imports as compared to the price of the like products 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 dumped imports

from the subject countries has been examined with reference to price undercutting, price suppression and price depression, if any. For the purpose of this analysis, the cost of production, net sales realization (NSR) and the non-injurious price (NIP) of the Domestic Industry have been compared with landed price of imports of the subject goods from the subject countries.

(a) Price Undercutting

67. For the purpose of price undercutting analysis, the selling price of the Domestic Industry has been compared with the landed value of imports from the subject countries. Accordingly, the undercutting effects of the dumped imports from the subject countries works out as follows:

i. Price Undercutting (For Subject Countries as a whole)

Particulars	UoM	2020-21	2021-22	2022-23	POI
Landed value	Rs. / MT	330473	363437	417667	429436
Trend	Indexed	100	110	126	130
Domestic selling price	Rs. / MT	***	***	***	***
Trend	Indexed	100	104	115	114
Price Undercutting	Rs. / MT	***	***	***	***
Trend	Indexed	100	34	-28	-92
Price Undercutting %	%	***	***	***	***
Trend	Indexed	100	31	-23	-70
Range	%	0-10	0-10	(10)-0	(10)-0

ii. Price Undercutting (China PR)

Particulars	UoM	2020-21	2021-22	2022-23	POI
Landed value	Rs/MT	312154	340553	380364	407819
Trend	Indexed	100	109	122	131
Domestic selling price	Rs/MT	***	***	***	***
Trend	Indexed	100	104	115	114
Price Undercutting	Rs/MT	***	***	***	***
Trend	Indexed	100	72	68	-5
Price Undercutting %	%	***	***	***	***
Trend	Indexed	100	66	56	-4
Range	%	10-20	0-10	0-10	(10)-0

iii. Price Undercutting (Taiwan)

Particulars	UoM	2020-21	2021-22	2022-23	POI
Landed value	Rs/MT	375384	371460	423779	432638
Trend	Indexed	100	99	113	115
Domestic selling price	Rs/MT	***	***	***	***
Trend	Indexed	100	104	115	114
Price Undercutting	Rs/MT	***	***	***	***

Particulars	UoM	2020-21	2021-22	2022-23	POI
Trend	Indexed	-100	5	-71	-141
Price Undercutting %	%	***	***	***	***
Trend	Indexed	-100	5	-63	-122
Range	%	(10)-0	0-10	(10)-0	(10)-0

68. Price undercutting is negative with respect to subject countries during the POI.

(b) Price Suppression and Depression

69. In order to determine whether the dumped imports are depressing the domestic prices and whether the effect of such imports is to suppress prices to a significant degree or prevent price increases which otherwise would have occurred in normal course, the changes in the costs and prices over the injury period, are compared as below:

Particulars	UoM	2020-21	2021-22	2022-23	POI
Landed value - Subject Countries	Rs/MT	330473	363437	417667	429436
Trend	Indexed	100	110	126	130
Domestic selling price	Rs/MT	***	***	***	***
Trend	Indexed	100	104	115	114
Cost of Sales	Rs/MT	***	***	***	***
Trend	Indexed	100	107	114	114

70. From the above table, it is noted that similar to the price undercutting, prices of the Domestic Industry were suppressed during the initial two years i.e., 2020-21 and 2021-22. However, during the year 2022-23 and the period of investigation import prices were above the selling prices of the Domestic Industry.

Economic Parameters of the Domestic Industry

71. Annexure II to the Rules requires that the determination of injury shall involve an objective examination of the consequent impact of dumped imports on domestic producers of such products. With regard to consequent impact of dumped imports on domestic producers of such products, the Rules further provide that the examination of the impact of the dumped imports on the Domestic Industry should include an objective and unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments.

72. The injury parameters have been examined objectively taking into account various facts and submissions made.

Production, Capacity, Sales and Capacity Utilization

73. Capacity, production, sales and capacity utilization of the Domestic Industry over the injury period is given in the following table: -

Particulars	UoM	2020-21	2021-22	2022-23	POI
Capacity (MT)	MT	***	***	***	***
Trend	Indexed	100	100	110	131
Demand	MT	***	***	***	***
Trend	Indexed	100	130	153	146
Production PUC only	MT	***	***	***	***
Trend	Indexed	100	142	177	176
Capacity utilization	%	***	***	***	***
Trend	Indexed	100	142	160	134
Sales	MT	***	***	***	***
Trend	Indexed	100	139	171	169

74. The Authority notes that the production, sales and capacity utilization of the Domestic Industry has increased in the POI as compared to the base year. However, the same declined when compared to the immediately preceding year i.e., 2022-23.

Market Share

75. The Authority also notes that the market share of the domestic industry has increased in the POI as compared to previous years. However, imports from Taiwan increased significantly despite duties in force. The details are as follows:

Particulars	UoM	2020-21	2021-22	2022-23	POI
Total Demand	MT	***	***	***	***
Trend	Indexed	100	130	153	146
Share in Demand					
Imports from China	%	***	***	***	***
Trend	Indexed	100	25	11	10
Imports from Taiwan	%	***	***	***	***
Trend	Indexed	100	175	170	161
Imports from Subject Countries	%	***	***	***	***
Trend	Indexed	100	68	57	53
Imports from Other Countries	%	***	***	***	***
Trend	Indexed	100	160	158	133
Total Imports	%	***	***	***	***
Trend	Indexed	100	87	78	70
Domestic Sales	%	***	***	***	***
Trend	Indexed	100	107	112	116

76. It is noted that market share of subject countries in total imports have declined during the injury period while share of non-subject countries have increased.
77. It has been further noted that significant capacity additions/investments were made by the domestic industry post imposition of the duties.

(b) Profitability, return on investment and cash profits

78. Profitability, return on investment and cash profits of the Domestic Industry over the injury period is given in the table below:

Particulars	UoM	2020-21	2021-22	2022-23	POI
Sales (MT)	MT	***	***	***	***
Trend	Index	100	139	171	169
Sales value	Rs. Lacs	***	***	***	***
Trend	Index	100	145	196	193
Selling Price	Rs/MT	***	***	***	***
Trend	Index	100	104	115	114
Cost of Sales	Rs. Lacs	***	***	***	***
Trend	Index	100	148	194	193
Cost of Sales	Rs/MT	***	***	***	***
Trend	Index	100	107	114	114
Profit/loss	Rs. Lacs	***	***	***	***
Trend	Index	100	120	212	189
Profit/loss	Rs/MT	***	***	***	***
Trend	Index	100	87	124	112
Depreciation	Rs. Lacs	***	***	***	***
Trend	Index	100	99	95	125
Cash Profit	Rs. Lacs	***	***	***	***
Trend	Index	100	113	173	168
Capital Employed	Rs. Lacs	***	***	***	***
Trend	Index	100	113	186	213
ROCE	%	***	***	***	***
Trend	Index	100	107	114	88

79. From the above table, it is noted that:

- In spite of continuous increase in demand of PUC, the Domestic Industry's profit, cash profit and ROI declined during the POI as compared to preceding year.
- The cost (Rs/MT) has increased in the POI as compared to the immediately preceding year i.e., 2022-23. However, during the same period, selling price declined by more than Rs/MT ***.
- Similarly, the cash profits and return on capital employed followed the same trend as profitability. It is noted that cash profits and return on capital employed declined in the POI as compared to the immediately preceding year.

(c) Employment, productivity and wages

80. Employment, productivity and wages of domestic industry over the injury period is given in the table below:

Particular	UoM	2020-21	2021-22	2022-23	POI
Employees	No.	***	***	***	***
Trend	Index	100	120	128	124
Wages	Rs. Lacs	***	***	***	***
Trend	Index	100	129	147	158
Wages/employee (Rs)	Rs. / Employee	***	***	***	***

Particular	UoM	2020-21	2021-22	2022-23	POI
Trend	Index	100	108	115	127
Production/employee	MT/No.	***	***	***	***
Trend	Index	100	118	138	142

81. It is noted that the productivity of the domestic industry increased in the POI as compared to the base year and remained same as compared to the immediately preceding year.

(d) Inventories

82. Inventory position with the Domestic Industry over the injury period is given in the table below:

Year	UOM	2020-21	2021-22	2022-23	POI
Average Stock	MT	***	***	***	***
Trend	Indexed	100	98	146	154

83. It is noted that the inventories with the Domestic Industry have increased during POI as compared to the previous years.

(e) Growth

84. It is noted that growth of the Domestic Industry with regard to production, sales, capacity utilization, profitability, cash profit, ROCE is negative in the POI as compared to the previous years. The details are as under.

Growth	2020-21	2021-22	2022-23	POI
Production	-	***	***	***
Sales	-	***	***	***
Profit	-	***	***	***
Cash Profit	-	***	***	***
ROCE	-	***	***	***

Factors affecting domestic prices

85. From the examination of the information on record, it is noted that the Domestic Industry is selling the subject goods around the value offered by the exporters in the market. It is also noted that the demand for the subject goods significantly increased during the POI as compared to the previous years. Thus, it may be concluded that the principal factor affecting the domestic prices is the dumped imports of subject goods from the subject countries.

Magnitude of Injury and Injury Margin

86. The Authority has determined Non-Injurious Price for the Domestic Industry on the basis of principles laid down in Rules read with Annexure III, as amended. The NIP of the product under consideration has been determined based on information/data relating to the cost of production for the period of investigation. The NIP of the Domestic Industry has been worked out and it has been compared with the landed price from the subject countries for calculating injury margin.

Country of Origin and/or Export	Name of Producer	NIP (USD /MT)	LV (USD/MT)	IM (USD / MT)	IM (%)	IM % (Range)
China PR	Handan Hanguang OA Toner Co., Ltd	***	***	***	***	(0-10)
China PR	Any other	***	***	***	***	20-30
Taiwan	Trend Tone Imaging, Inc.	***	***	***	***	(10-20)
Taiwan	Any other	***	***	***	***	(0-10)

87. The injury margin from the cooperative producers is negative.

H.2 NON-ATTRIBUTION ANALYSIS

88. As per the Rules, it is, inter alia, required to be examined whether any known factors other than the dumped imports at the same time are injuring the Domestic Industry, so that the injury caused by these other factors may not be attributed to the dumped imports. Factors which may be relevant in this respect include, inter alia, the volume and prices of imports not sold at dumped prices, contraction in demand or changes in the patterns of consumption, trade restrictive practices and competition between the foreign and domestic producers, developments in technology and the export performance and the productivity of the Domestic Industry. It has been examined below whether factors other than dumped imports could have contributed to the injury to the Domestic Industry.

Volume and price of imports from third countries

89. The share of the imports from countries other than the subject countries are either de minimis or the import prices are significantly higher. Hence, imports from third countries are neither causing nor threatening to cause injury to the domestic industry.

Export Performance

90. The data for domestic operations only has been considered for the injury analysis.

Development of Technology

91. None of the interested parties have participated and furnished any evidence to demonstrate significant changes in the technology that could have caused injury to the domestic industry.

Performance of other products of the company

92. The domestic industry is engaged only in the production and sales of PUC. Accordingly, performance of other products is neither causing nor threatening to cause injury to the domestic industry.

Trade Restrictive Practices and Competition between the Foreign and Domestic Producers

93. The import of the subject goods is not restricted in any manner and the same are freely importable in the country.

Contraction in Demand and Changes in pattern of consumption

94. The demand has increased significantly in the POI as compared to FY 20-21 and FY 2021-22. However, there is a small decline in the POI as compared to the immediately preceding year, which may be temporary. The overall trend of demand growth is robust during the injury investigation period.

H.3 FACTORS RELEVANT FOR INJURY AND CAUSAL LINK

95. The Authority notes the following:
- a. The margin of dumping from Taiwan is above *de minimis* limits and significantly positive. The margin of dumping of China PR is negative for the cooperating producer but positive for other producers.
 - b. The inventories of the domestic industries increased significantly.
 - c. The profits, cash profits and return on capital employed have declined during the POI.
 - d. The growth of the domestic industry in terms of both volume and profitability parameters is negative during the POI.

H.4 LIKELIHOOD OF CONTINUATION OR RECURRENCE OF DUMPING AND INJURY**Submissions of other interested parties**

96. The following submissions were made by other interested parties:
- a) The domestic industry has expanded its market share, growing at twice the rate of total demand. Therefore, with the decrease in imports and the growth in domestic sales and market share, it is clear that there is no injury to the Domestic Industry from imports, indicating the absence of any volume effect.
 - b) The share of the Domestic Industry has increased significantly from 100% in 2020-21 to 125% in 2023-24, indicating strong growth. In contrast, the share of imports from subject countries has declined significantly by 50%, from 100% in 2020-21 to 50% in 2023-24.
 - c) There are significant improvements in productivity across all metrics. Thus, there is no injury to the Domestic Industry.
 - d) The ROI has improved significantly, increasing by 86%. Overall, the data shows no injury to the Domestic Industry.
 - e) No credible evidence has been provided by the applicant domestic industries with regard to the claimed existence of huge capacities or surplus capacities with manufacturers in the subject countries, their domestic demands and their demand in other markets.

Submissions by the Domestic Industry

97. The following submissions were made by domestic industry:
- a) Interested parties were very well aware of the likely Period of Investigation that would be undertaken by the Authority in any sunset review investigation considering the timeframe provided under the law to file the application for the initiation of the sunset review investigation. It allows the producers / exporters to plan their sales to India in a manner which would result in a favorable outcome. It is for this reason the investigating authorities worldwide analyze likelihood and where likelihood found to be positive, the

authorities worldwide including DGTR had recommended continuation of the duties even when there were no imports of the subject goods in the POI. Accordingly, the domestic industry humbly requests the Authority to extend the existing anti-dumping duties for a further period of five years.

- b) The pattern of trade has changed completely. After imposition of duties, imports from China PR declined while imports from Taiwan increased as duties against Taiwanese producers are lower as compared to Chinese producers. As per the market intelligence of the domestic industry, Chinese goods are routing through Taiwan. This clearly shows likelihood of continuation or recurrence of dumping and injury.
- c) Demand of the subject goods increased throughout the injury investigation period. Moreover, the growth perspective of this industry is also bright. It is further submitted that India is an attractive market for the foreign producers /exporters, which is also evidenced from the fact that two major producers / exporters from subject countries namely Trend Tone imagine Inc. (TTI) and Tianjin Zhonghuan TCOA Electronics Co Ltd (TCOA) resorted to manipulation in the original investigation to get favourable results. This fact is categorically recorded in the Final Findings of the original investigation. Accordingly, there is every likelihood of continuation or recurrence of dumping and injury in case the duties are not continued.
- d) The producers in the subject countries have huge surplus capacities. In such a case, there is every likelihood of continuation or recurrence of dumping and injury in case the duties are not continued.
- e) The producers from China PR are exporting the low value subject goods to other countries in significant volumes. The exports made by China PR to other countries are also multi-fold as compared to the Indian production as well as the demand. In such a case, if the duties are not continued there is every likelihood of diverting the low value subject goods to India.
- f) The producers of China PR exported subject goods in significant volumes to Taiwan (subject country) at very low prices. Further, we understand that most of the Chinese producers have related entities in Taiwan. There is a strong possibility that the Chinese producers are routing their goods through Taiwan as producers from Taiwan enjoy low duty. Our apprehension is also supported by the manipulation / misdeclaration done by the Chinese and Taiwanese producers in the original investigation. In such a case, there is every likelihood of continuation or recurrence of dumping and injury in case duties are not extended.
- g) The demand of the subject goods in USA and Europe declined drastically on account of slowdown of the economy. In such a case, there is every possibility of diverting the exports to India in case duties are withdrawn.
- h) The producers of China PR exported subject goods in significant volumes to other countries including Taiwan. The domestic industry has considered the exports prices to Taiwan being one of the subject countries to calculate the likely dumping and margin, which are not only positive but also significant.

Examination by Authority

98. The present investigation is a sunset review investigation, and the purpose of this investigation is to examine the continuation or recurrence of dumping and consequent injury if anti-dumping duty is allowed to expire. This also requires a consideration of whether the duty imposed is serving the intended purpose of eliminating injurious dumping.

99. The Authority notes that the domestic industry has claimed that anti-dumping duty protection against the subject countries led to improvement in their performance. It is also noted that the quantum of imports also declined as compared to the original period of investigation. This has given relief to the domestic industry. However, producers / exporters from the subject countries have continued significant exports of the subject goods in relation to the total demand in India. It has been further submitted that continuation of anti-dumping duties would be in the public interest and the discontinuance of anti-dumping duties would certainly lead to continuation and recurrence in even greater extent, of dumping and injury to the domestic industry.
100. All factors brought to the notice of the Authority have been examined to determine whether there is a likelihood of continuation or recurrence of dumping and injury in the event of cessation of the duty. The Authority has considered various information, as made available by the interested parties during the course of the investigation, in order to evaluate the likelihood of continuation or recurrence of dumping or injury.
101. There are no specific methodologies available to conduct such a likelihood analysis. However, Clause (vii) of Annexure II of the Rules provides, *inter alia*, for factors which are required to be taken into consideration *viz.*:
- a) A significant rate of increase of dumped imports into India indicating the likelihood of substantially increased imports;
 - b) Sufficient freely disposable, or an imminent, substantial increase in, capacity of the exporter indicating the likelihood of substantially increased dumped exports to Indian markets, taking into account the availability of other export markets to absorb any additional exports;
 - c) Whether imports are entering at prices that will have a significant depressing or suppressing effect on domestic prices, and would likely increase demand for further imports; and inventories of the article being investigated.
102. Further, the Authority has also examined other relevant factors having a bearing on the likelihood of continuation or recurrence of dumping and consequent injury to the domestic industry. The examination of the parameters of the likelihood as follows:

a) Continued imports from the subject countries

103. The imports of the subject goods from China PR declined while the imports from Taiwan increased significantly. Further, the imports have remained significant in absolute and relative terms despite domestic industry having sufficient capacity to meet the entire domestic demand.

b) Surplus capacities in the subject countries

104. The responding interested parties have provided capacity and production details prevalent in the subject countries in their questionnaire response. The domestic industry has also provided information on the capacity of various producers along with evidence. The capacity and production reported by the responding interested parties and the details provided by the domestic industry for the non-cooperative producers are considered to determine the total capacity and production of the subject countries. The capacity and production information for the producers made available for year 2023 during the course of the investigation is as follows:

Particulars	China PR	Taiwan	Malaysia	Subject countries
Capacity – Cooperating Producers	***	***	-	***
Capacity – Non-Cooperating Producers	***	-	***	***
Total Capacity	***	***	***	***
Production – Cooperating Producers	***	***	-	***
Production – Non-Cooperating Producers	***	-	***	***
Total Production	***	***	***	***
Surplus Capacity – Cooperating Producers	***	***	-	***
Surplus Capacity – Non-Cooperating Producers	***	-	***	***
Total Surplus Capacity	23680	1990	1580	27251
Indian Demand	***	***	***	***
Surplus Capacity % of Indian Demand – Cooperating Producers	(***)	***	-	***
Surplus Capacity % of Indian Demand – Cooperating Producers (Range)	(10) – (30)	30-50	-	10-30
Total Surplus Capacity % of Indian Demand – Non-Cooperating Producers	***	-	***	***
Total Surplus Capacity % of Indian Demand – Non-Cooperating Producers (Range)	400-500	-	20-40	500-600
Total Surplus Capacity % of Indian Demand	***	***	***	***
Total Surplus Capacity % of Indian Demand (Range)	400-500	30-50	20-40	500-600

Source: From DI application and response filed by cooperative producers / exporters

105. It is seen that the excess capacity with the producers from subject countries are significant in absolute terms as well as in relation to the Indian demand. There is an excess capacity of around *** MT with the producers in subject countries which is around *** times of the Indian demand.

c) Export Orientation

106. The exports made by the respondents from China PR and Taiwan during the POI have been compared with their total sales of PUC. Table below shows the factual information.

Sl. No	Particulars	UoM	Handan Hanguang OA Toner Co., Ltd, China PR	Trend Tone Imaging, Inc., Taiwan
1	Total sales of PUC	MT	***	***
2	Total exports of PUC	MT	***	***
3	Exports of PUC % of total sales of PUC	%	***	***
4	Exports of PUC % of total sales of PUC (Range)	%	10-30	80-100

107. The total exports reported by the responding exporters is as high as ***% for Trend Tone Imaging, Inc., Taiwan and ***% for Handan Hanguang OA Toner Co., Ltd, China PR. In the event of

cessation of existing anti-dumping duty, there is a likelihood that third country exports at dumped prices may be diverted to India.

d) Third country dumping

108. The domestic industry has provided information with regard to exports from China PR to show that the producers in the China PR are exporting significant volume of the subject goods to third countries at dumped prices with evidence. However, the Authority has analyzed the exports made to third countries by the respondents from China PR and Taiwan and compared the same with the constructed normal value determined for China and normal value of Taiwan with the export price reported by the responding producers/exporters. Table below shows the factual information.

Sl. No	Particulars	UoM	Handan Hanguang OA Toner Co., Ltd, China PR	Trend Tone Imaging, Inc., Taiwan	FY 2023-24
1	Dumped exports to third country	MT	***	***	***
2	Total exports to third country	MT	***	***	***
3	Indian Demand	MT	***	***	***
4	Dumped exports % to exports to third country	%	***	***	***
5	Dumped exports % to exports to third country (Range)	%	50-70	80-100	60-80
6	Dumped exports % to Indian Demand	%	***	***	***
7	Dumped exports % to Indian Demand (Range)	%	30-50	20-40	50-70

Source: Based on Cooperative exporters data

109. The total exports reported by the responding exporters is *** MT. Of these, *** % of these exports have been made at dumped price. This volume constitutes ***% of Indian demand. In the event of cessation of existing anti-dumping duty, these third country dumped exports may be diverted to India.

e) Injurious volume of exports

110. The domestic industry has provided information with regard to exports from China PR to show that the producers in the China PR are exporting significant volume of the subject goods to third countries at prices injurious to India with evidence. However, the Authority has considered the exports to third countries reported by the cooperating producers from China PR and Taiwan. The price of the exports made by the respondents have been compared with the NIP determined for the POI and the injury period. Table below shows the factual information.

Sl. No	Particulars	UoM	Handan Hanguang OA Toner Co., Ltd, China PR	Trend Tone Imaging, Inc., Taiwan	FY 2023-24
1	Injurious exports to third country	MT	***	***	***
2	Total exports to third country	MT	***	***	***

3	Indian Demand	MT	***	***	***
4	Injurious exports % to exports to third country	%	***	***	***
5	Injurious exports % to exports to third country (Range)	%	50-70	0-20	40-60
6	Injurious exports % to Indian Demand	%	***	***	***
7	Injurious exports % to Indian Demand (Range)	%	30-50	0-20	40-60

111. The total exports reported by the responding exporters is *** MT. Of these, ***% of exports are at injurious price which constitutes around ***% in relation to Indian demand. In the event of cessation of existing anti-dumping duty, these third country exports may be diverted to India, which will force the domestic industry to sell the PUC at injurious price in order to maintain its market share and eventually suffer losses.

f) Price attractiveness of Indian market

112. The domestic industry has provided information with regard to exports from China PR to other countries to show that the producers in China PR are exporting significant volume of the subject goods to third countries at a price below the level at which the subject goods are being exported to India. However, the Authority has thus examined information provided by the responding producers / exporters. The export price of the subject goods exported by the respondents to India have been compared with their export price to third countries. Table below shows the factual information.

Sl. No	Particulars	UoM	FY 2023-24
1	Exports at prices below the prices to India	MT	***
2	Total exports to third country	MT	***
3	Indian Demand	MT	***
4	Exports below India price % to third country	%	***
5	Exports below India price % to third country (Range)	%	30-50
6	Exports below India price % to Indian Demand	%	***
7	Exports below India price % to Indian Demand (Range)	%	30-50

113. The total exports reported by the responding exporters is *** MT. Of these, ***% of the exports are made at price below the level at which goods are being exported to India. This volume constitutes ***% in relation to total Indian demand. The above table shows that in the event of cessation of ADD, the subject goods which are presently exported to other countries are likely to be diverted to India.

I. POST DISCLOSURE COMMENTS

114. The Authority issued a disclosure statement on 22.04.2025 disclosing essential facts of the case and invited comments from all the interested parties. The post-disclosure submissions have been received from the interested parties. Majority of the issues raised are reiteration of issues raised earlier which have been addressed appropriately in the disclosure statement. Additional submissions to the extent deemed relevant have been examined as under:

Submissions of other interested parties

115. The injury margin for Trend Tone Imaging, Inc is negative. Similarly, the injury margin for all other exporters from Taiwan has also been found to be negative. The dumping margin and injury margin for Handan Hanguang OA Toner Co., Ltd is also negative. In accordance with the consistent jurisprudence and the legal framework governing anti- dumping investigations, the imposition or continuation of anti-dumping duty is warranted only in cases where the domestic industry suffers material injury due to dumped imports.
116. The name of the producers/exporter be mentioned as “Handan Hanguang OA Toner Co., Ltd.” and “HG Technologies Co., Ltd.” in the final finding.
117. The evidence of misdeclaration of relationship and imports of PUC by related party of the applicant domestic industry and erroneous determination of standing of the applicants have been disregarded.
118. Failure to define the scope of the product under consideration and adoption of an appropriate comparison methodology has resulted in an absurd determination of abnormally high dumping margin from Taiwan while the injury margin from the same country is negative.
119. Despite the fact that it is an admitted position of the applicant domestic industry that it does not suffer current material injury and their entire claim is based on likelihood of recurrence, the disclosure appears to be looking for material injury where there is none.
120. The claim of likelihood of recurrence of dumping and injury are based on surmises rather than any credible evidence and analysis thereof, while the volume and price information during the injury investigation would indicate that there is no likelihood of recurrence of dumping and injury on account of such imports in the near future.
121. There is no production of the subject goods in Malaysia and also no exports. Relevant information in this regard was submitted by the Respondent importer in their post oral hearing written submissions. This aspect has not been examined and countered by the Authority at all. Therefore, it is presumed that Malaysia is being excluded from the purview of this investigation.
122. The Authority must revisit the issues/determination as neither there is current dumping / injury nor any likelihood of recurrence of dumping / injury from the subject countries. The Authority should revoke the antidumping duty in the general public interest.

Submissions by the Domestic Industry

123. Domestic industry consists only of MSME companies, and is thankful to the Authority for recommending the duties and protecting the domestic industry from the dumped imports from the subject countries which led to improvement in the performance of the domestic industry, albeit in the initial years.
124. Significant capacity additions/investments were made by the domestic industry post imposition of the duties, which made domestic industry self-sufficient to cater to the total India demand i.e., there is no demand and supply gap. The industry has also added to the employment in the MSME sector which has been under pressure for quite some time on account of significant investments / capacity addition by the domestic industry.
125. The domestic industry filed the application in terms of Rule 23(1B) of the anti-dumping Rules for continued imposition of the existing anti-dumping duty.

126. The Authority has rightly taken the decision of considering the scope of the PUC same as that in the original investigation since this investigation is a sunset review investigation.
127. The applicants are eligible domestic industry as also considered by the Authority in para no. 21 of the disclosure statement. Without prejudice, it is submitted that the requirement of standing is not applicable in a sunset review investigation.
128. The Authority has rightly determined the normal value for Chinese producers in accordance with para 7 of Annexure I to the Rules as none of the producers from China PR have filed a supplementary questionnaire on market economy conditions.
129. It is requested not to grant individual duty to Trend Tone Imaging, Inc. considering the following facts:
- a) Trend Tone imagine Inc. (TTI) resorted to manipulation in the original investigation to get favourable results. This fact is categorically recorded in the Final Findings of the original investigation. In such a case, there is every likelihood that TTI manipulated their export prices to India to get favorable results since estimation of the period of investigation and period of injury is possible considering the timeframe provided under the law to file the application for the initiation of the sunset review investigation.
 - b) Authority granted residual duty to TTI in the original investigation. Grant of individual duty to a producer / exporter will promote malpractices.
 - c) The likely dumping and injury margin are not only positive but also significant for TTI.
 - d) Grant of individual duty to TTI would mean that Authority has considered it as a new shipper. It is submitted that Hon'ble Authority in plethora of investigations granted residual duty to a new shipper so as to make sure that there is no scope of manipulation.
130. Negative or low dumping / injury margin is not material in a sunset review investigation as evidenced from the following facts:
- a) Negative or low dumping / injury margin or improvement in the performance of the domestic industry does not imply that there is no likelihood of continuance or recurrence of dumping/injury, and therefore, duties are to be withdrawn. In a sunset review, the Authority is required to undertake a prospective analysis, to evaluate the likely effect of the expiry of duty on the volume and price of imports, and its consequent impact on the performance of the domestic industry in the event duties are withdrawn in terms of Section 9A (5) of the Customs Tariff Act.
 - b) In case outcome of sunset review investigation will be based on the magnitude of dumping / injury margin or performance of the domestic industry, the producers / exporter will start manipulating their export prices in a sunset review investigation since estimation of period of injury is possible.
 - c) In the present investigation, there is strong likelihood of continuation or recurrence of dumping and injury to the domestic industry if the duties are revoked as clearly evidenced from the disclosure statement.
 - d) There is material injury as well as strong likelihood of continuation or recurrence of dumping and injury to the domestic industry if the duties are revoked as also clearly evidenced from the disclosure statement.

Examination by Authority

131. The Authority has examined post disclosure statement comments by the domestic industry and other interested parties including re-iterations which have already been examined suitably and addressed adequately in the relevant paragraphs of these final findings. The issues raised in the post disclosure comments/submissions by the interested parties and considered relevant by the Authority are examined below.
- a) Some of the interested parties have submitted that the injury margin for the cooperating producers is negative, and therefore, duty is not warranted. The Authority notes that the present investigation is a sunset review investigation. The Authority is required to undertake a prospective analysis, to evaluate the likely effect of the expiry of duty on the volume and price of imports, and its consequent impact on the performance of the domestic industry in the event duties are withdrawn in terms of Section 9A (5) of the Customs Tariff Act. The likelihood analysis indicates likelihood of continuation or recurrence of dumping and injury in event of cessation of anti-dumping duty.
 - b) With regard to the contention of the parties on the standing of the domestic industry, the Authority notes that it has examined in detail the issue raised by the interested parties regarding relationship with importer etc. in the relevant paragraphs of the present findings.
 - c) As regard to the submissions on the public interest, the Authority notes that it is required to assess the interest of public at large which includes the upstream industry, the domestic industry as well as the user industry. The authority notes that the continued presence of viable domestic suppliers would be in the public interest.
 - d) The interested parties have submitted that neither there is material injury nor likelihood of continuation or recurrence of dumping and injury. The Authority notes that these issues have been examined in detail in the foregoing paragraphs of the present findings. It is noted that the profitability of the domestic industry has declined in the POI as compared to the immediately preceding year. The Authority has examined the price attractiveness, third country dumping and injurious exports as per consistent methodology for such analysis. The Authority has referenced the transaction wise data provided by the cooperating producers/exporters to evaluate the threat of diversion of exports to India by considering export prices from subject countries to third countries which are lower than export price to India as well as NIP. The likelihood analysis indicates likelihood of continuation or recurrence of dumping and injury in event of cessation of anti-dumping duty.
 - e) With reference to individual rates of duty, the Authority considers that this being a sunset review, the key point to be examined here is likelihood of continuation or recurrence of dumping and injury. Thus, the Authority does not deem it fit to recommend a new anti-dumping duty for producer/exporter whose response was not accepted in the original investigation.
 - f) With regard to the submission made by certain importers that Malaysia may be excluded from the scope of the investigation as there is no production of the subject goods in that country and no exports, it has been noted that surplus capacity in Malaysia is substantial in terms of the Indian demand. Further, neither Government of Malaysia nor any of the cooperating producers / exporters have filed any submissions on this issue. In such a case, there is every likelihood of recurrence of dumping and injury in case duties are withdrawn.

- g) With regard to the request to change the name as “Handan Hanguang OA Toner Co., Ltd.” and “HG Technologies Co., Ltd.” in the final finding, it is noted that both the companies are group companies. Accordingly, the names are correctly mentioned in the duty table.

J. INDIAN INDUSTRY INTEREST AND OTHER ISSUES

Submissions of other interested parties

132. The interested parties have made following submissions:

- a) It is not in public interest to impose antidumping duty on import of PUC from subject countries as domestic industry total production is not enough to meet demand of said product in India which is rising at a steep rate of 18% p.a.
- b) Revoke the current antidumping duty in the general public interest to allow import of quality products at competitive prices to enable the domestic users compete in domestic as well as global market more effectively.

Submissions by the Domestic Industry

133. The domestic industry has submitted that the impact of the duty on the end-use product is negligible. Continuation of anti-dumping duties would be in the public interest and the discontinuance of anti-dumping duties would certainly lead to continuation and recurrence in even greater extent, of dumping and injury to the domestic industry. In case duties are not continued, the significant investment made by the domestic industry will be jeopardized and there will be a loss of employment.

Examination by Authority

134. The Authority considered whether extension of ADD shall have adverse public interest. For the same, the Authority examined whether the extension of the anti-dumping duty on imports of the product under investigation would be against the larger public interest. This determination is based on consideration of information on record and interests of various parties, including domestic industry, importers, and consumers of the product.
135. The Authority issued gazette notification inviting views from all the interested parties, including importers, consumers, and other interested parties. The Authority also prescribed a questionnaire for the consumers to provide relevant information with respect to the present investigation, including the possible effects of the anti-dumping duties on their operations. The Authority sought information on, *inter-alia*, the interchangeability of the product supplied by various suppliers from different countries, ability of the consumers to switch sources, the effect of anti-dumping duties on the consumers, factors that are likely to accelerate or delay the adjustment to the new situation caused by the imposition of the antidumping duties.
136. It is noted that the purpose of anti-dumping measures, in general, is to eliminate injury caused to the domestic industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country. The Authority recognizes that the continuation of the anti-dumping duties might affect the price levels of the product under consideration as well as other downstream products manufactured by using the subject goods in India. However, fair competition in the Indian market will not be reduced by the imposition of anti-dumping measures. On the contrary, the continuation of anti-dumping measures would protect the domestic industry

from low-priced imports from the subject countries and help maintain the wider availability of choices to the consumers of the product under consideration.

137. The Authority had prescribed an economic interest questionnaire which was sent to all interested parties to this review investigation. None of the interested parties have responded to the economic interest questionnaire.
138. It has also been noted that there is no demand and supply gap in the country. The Authority notes that the anti-dumping duties are not imposed to block imports, but to create a level playing field in the domestic market. The user industry of the PUC can continue to import at fair prices. The Authority notes that existence of a viable domestic industry is necessary for the user industry to avoid being excessively dependent on imports leading to high chances of supply chains disruptions.

K. CONCLUSION

139. Having regard to the contentions raised, information provided and submissions made and facts available before the Authority as recorded in the above findings and on the basis of the above analysis of the likelihood of continuation or recurrence of dumping and injury to the domestic industry, the Authority concludes that:
 - i. There is continued significant dumping of the subject goods from subject countries except Handan Hanguang OA Toner Co., Ltd and the imports are likely to enter the Indian market at dumped prices in the event of expiry of duty.
 - ii. Though the performance of the domestic industry has improved till 2022-23 from the base year, its performance has suffered deterioration within the POI, and thus, the domestic industry remains vulnerable due to dumping of the subject goods from the subject countries. Therefore, there is likelihood of injury in the event of expiry of duty.
 - iii. The information on record shows likelihood of continuation/recurrence of dumping and injury in case the anti-dumping duty in force is allowed to cease at this stage. The data analysis shows that significant volume of exports by the subject countries as well as the participating producers from the subject countries to the third countries is below the non-injurious price of the domestic industry, their export prices to India and domestic prices, indicating strong likelihood of diversion of exports of the subject goods from the countries to India if the existing anti-dumping measure ceases to exist.

L. RECOMMENDATIONS

140. 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/users and other interested parties to provide information on the aspects of dumping, injury and the causal link and likelihood of continuation or recurrence of dumping and injury.
141. Having concluded that there is positive evidence of likelihood of dumping and injury if the existing anti-dumping duties are allowed to cease, the Authority is of the view that the anti-dumping duty in force on the imports of the product under consideration from the subject countries is required to be continued further. Accordingly, the anti-dumping duties for producers from the subject countries are recommended as per the duty table below.

142. Under these circumstances, the Designated Authority considers it appropriate to recommend continuation of existing definitive anti-dumping duty imposed *vide* Notification no. 12/2021-Customs (ADD) dated 05th March, 2021. Therefore, anti-dumping duty equal to the amount indicated in Col 7 of the duty table given below is recommended to be imposed from the date of notification to be issued in this regard by the Central Government, on all imports of subject goods, as detailed in column 3 of the duty table from subject countries for a further period of five years.

DUTY TABLE

S. N o	HS Code	Description of Goods*	Country of Origin	Country of Export	Producer	Amount	Unit	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	3707	Black Toner in Powder Form*	China PR	Any country including China PR	a) Handan Hanguang OA Toner Co., Ltd. b) HG Technologies Co., Ltd.	1167	MT	USD
2	3707	Black Toner in Powder Form*	China PR	Any country including China PR	Any producer other than at serial number 1	1458	MT	USD
3	3707	Black Toner in Powder Form*	Any country other than China PR, Malaysia & Taiwan	China PR	Any	1458	MT	USD
4	3707	Black Toner in Powder Form*	Malaysia	Any country including Malaysia	Any	1568	MT	USD
5	3707	Black Toner in Powder Form*	Any country other than Malaysia, China PR & Taiwan	Malaysia	Any	1568	MT	USD
6	3707	Black Toner in Powder Form*	Taiwan	Any country including Taiwan	Any	159	MT	USD
7	3707	Black Toner in Powder Form*	Any country other than Taiwan, China PR & Malaysia	Taiwan	Any	159	MT	USD

**Black Toner in Powder Form excluding the following:*

- i. *Color Toner*
- ii. *MICR Toner (Specialized Toner used for printing in Cheques)*
- iii. *Toners imported for the use by Original Equipment Manufacturers of Printing Equipment.*
- iv. *Toner in Cartridges*
- v. *Toner in liquid form*

M. FURTHER PROCEDURE

143. An appeal against the order of the Central Government that may arise out of this recommendation shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the relevant provisions of the Act.

DARPAN JAIN, Designated Authority