

MINISTRY OF COMMERCE AND INDUSTRY**(Department of Commerce)**

(Directorate General of Trade Remedies)

New Delhi, the 30 th September, 2024

INITIATION NOTIFICATION**Case No. AD (OI)-38/2024**

Subject: Initiation of anti-dumping investigation concerning imports of “Black Toner Powder Cartridge” originating in or exported from China PR - *reg.*

F. No. 6/41/2024-DGTR – Having regards to the Customs Tariff Act, 1975, as amended from time to time (hereinafter also referred to as the "Act") and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended from time to time (hereinafter also referred to as the "AD Rules, 1995"), M/s Indrayani Sales Private Limited (hereinafter referred to as the “applicant”), has filed an application before the Designated Authority (hereinafter referred to as the “Authority”) seeking initiation of anti-dumping investigation by alleging dumping of “Black Toner Powder Cartridge” (hereinafter referred to as the “subject goods”, or “the product under consideration”), originating in or exported from China PR (hereinafter referred to as the “subject country”).

A. PRODUCT UNDER CONSIDERATION

2. The product under consideration is the “Black Toner Powder Cartridge” (hereinafter referred to as the “subject goods” or the “Product under Consideration). The following types of Cartridges are not covered within the scope of the investigation:
 - a. Colour Laser Toner Cartridge
 - b. MICR Toner Cartridge (Specialized Toner used for printing in Cheques)
 - c. Inkjet Liquid Toner Cartridge
 - d. Black Toner Cartridge imported for use by the Original Equipment Manufacturers of Printing Equipment
3. Product under consideration is used for printing. The subject goods are classified under HS Code: 84439959 under Chapter 84 of the Customs Tariff Act, 1975 (51 of 1975). The customs classification/ HS Code is only indicative and is not binding on the scope of the product under consideration. The Authority shall consider imports of the product under consideration, irrespective of its classification for the purpose of the present investigation.

B. LIKE ARTICLE

4. The applicant has claimed that there is no significant difference in the article produced by the domestic industry and the one exported from the subject country. The article produced by the domestic industry and imported from the subject country is comparable in terms of characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, specifications, pricing, distribution & marketing, and tariff classification of the goods. The two are

technically and commercially substitutable and are used by consumers interchangeably. Thus, for the purposes of initiation of the present investigation, the investigation team, proposes to hold that the article produced by the applicant is like article to the product being imported from China PR.

C. DOMESTIC INDUSTRY AND STANDING

5. Rule 2(b) defines domestic industry as follows:

"Domestic industry' means the domestic producers as a whole of the like article or domestic producers 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 which case such producers shall be deemed not to form part of domestic industry"

6. The application has been filed by M/s Indrayani Sales Private Limited. There is one more producer in India, viz., M/s DIC Techware Private Limited, which has neither supported nor opposed the application. The applicant accounts for a major proportion of the Indian production.
7. The applicant has not imported the subject goods from the subject country during the POI and previous two financial years except FY 2020-21. Moreover, the applicant is not related to any importer or exporter of the subject goods during POI.
8. In view of the same, the Authority considers that applicant constitutes eligible domestic industry within the meaning of Rule 2(b) of the Anti-dumping Rules, 1995 read with Rule 5(3).

D. PERIOD OF INVESTIGATION

9. The period of investigation (POI) for the present investigation is 1st April 2023 to 31st March 2024 (12 months). The injury period for the investigation will cover the periods FY 2020–21, FY 2021-22, FY 2022-2023 and the POI.

E. SUBJECT COUNTRY

10. The subject country for the present investigation is China PR.

F. DUMPING MARGIN COMPUTATION

i. Normal Value

11. The consistent practice of the Authority has been to treat China PR as a non-market economy, unless the producers from China PR demonstrate that market economy conditions prevail in the industry with regard to the production and sales of the subject goods in accordance with Para 7 of Annexure-I to the Anti-Dumping Rules, 1995.
12. Applicant has claimed normal value in case of China PR on the basis of the price actually paid or payable in India, duly adjusted to include a reasonable profit margin. The normal value has been, therefore, constructed based on the best estimates of the cost of the production in India of the subject

goods as available after adjusting the selling, general and administrative expenses with reasonable profit margin.

13. Therefore, for the purpose of initiation of the present investigation, the normal value has been constructed based on the estimates of the cost of production of the applicant's duly adjusted with selling, general and administrative expenses, along with a reasonable profit margin.

ii. Export Price

14. The applicants have claimed CIF export price based on import information on a summary basis published by DGCI&S since the product has as dedicated classification. The Authority has considered import price based on DGCI&S data to check the veracity of the information. Adjustments on account of Ocean Freight, Marine Insurance, Inland Freight, Documentation charges, Handling and Clearing charges and Credit Cost were made to arrive at the ex-factory export price.

iii. Dumping Margin

15. The normal value and the export price have been compared at the ex-factory level, which *prima facie* establishes that the dumping margin is above the *de minimis* level with respect to the product under consideration imported from the subject country. Thus, there is sufficient *prima facie* evidence that the product under consideration from the subject country is being dumped in the domestic market by the exporters from the subject country.

G. ALLEGATION OF INJURY AND CAUSAL LINK

16. The applicant has furnished the information on various parameters relating to 'injury' to the domestic industry as prescribed under the Rules. The evidence provided by the applicant *prima facie* shows injury to the domestic industry that has been caused by the alleged dumped imports from China PR.

H. INITIATION OF THE INVESTIGATION

17. On the basis of the duly substantiated written application submitted by the applicant and having reached satisfaction based on the *prima facie* evidence submitted by the applicant concerning the dumping of the product under consideration originating in or exported from the subject country, the consequential injury to the domestic industry as a result of the alleged dumping of the subject goods and the causal link between such injury and the dumped imports, and in accordance with Section 9A of the Act read with Rule 5 of the AD Rules, the Authority, hereby, initiates an anti-dumping investigation to determine the existence, degree and effect of the dumping with respect to the product under consideration originating in or exported from the subject country and to recommend the appropriate amount of anti-dumping duty, which if levied, would be adequate to remove the injury to the domestic industry.

I. PROCEDURE

18. Principles as given in Rule 6 of the AD Rules shall be followed for the present investigation.

J. SUBMISSION OF INFORMATION

19. All communication should be sent to the Designated Authority *via* email at email addresses <dir13-dgtr@gov.in> and <ad12-dgtr@gov.in> with a copy to <adv11-dgtr@gov.in> and <consultant-dgtr@govcontractor.in>. It must be ensured that the narrative part of the submission is in searchable PDF/ MS-Word format and data files are in the MS-Excel format.
20. The known producers/ exporters in the subject country, the government of the subject country through their embassies in India, the importers and users in India who are known to be associated with the subject goods are being informed separately to enable them to file all the relevant information within the time limits mentioned in this initiation notification. All such information must be filed in the form and manner as prescribed by this initiation notification, the AD Rules, 1995 and the applicable trade notices issued by the Authority.
21. Any other interested party may also make submission relevant to the present investigation in the form and manner as prescribed by this initiation notification, the AD Rules, 1995 and the applicable trade notices issued by the Authority within the time limits mentioned in this initiation notification.
22. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other interested parties.
23. Interested parties are further directed to regularly visit the official website of the Directorate General of Trade Remedies (<https://www.dgtr.gov.in/>) to stay updated and apprised with the information as well further processes related to the investigation.

K. TIME LIMIT

24. Any information relating to the present investigation should be sent to the Designated Authority *via* email at email address <dir13-dgtr@gov.in> and <ad12-dgtr@gov.in> with a copy to <adv11-dgtr@gov.in> and <consultant-dgtr@govcontractor.in> within 30 days from the date on which the non-confidential version of the application filed by the domestic industry would be circulated by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting country as per Rule 6(4) of the AD Rules, 1995. If no information is received within the stipulated time limit or the information received is incomplete, the Authority may record its findings based on the facts available on record and in accordance with the Rules.
25. All the interested parties are hereby advised to intimate their interest (*including the nature of interest*) in the instant matter and file their questionnaire responses within the above time limit as stipulated in this notification.
26. Where an interested party seeks additional time for filing of submissions, it must demonstrate sufficient cause for such extension in terms of Rule 6(4) of the AD Rules, 1995 and such request must come within the time stipulated in this notification.

L. SUBMISSION OF INFORMATION ON CONFIDENTIAL BASIS

27. Where any party to the present investigation makes confidential submissions or provides information on a confidential basis before the Authority, it is required to simultaneously submit a non-confidential

version of such information in terms of Rule 7(2) of the AD Rules, 1995 and in accordance with the relevant trade notices issued by the Authority in this regard.

28. Such submissions must be clearly marked as “confidential” or “non-confidential” at the top of each page. Any submission which has been made to the Authority without such markings shall be treated as “non-confidential” information by the Authority, and the Authority shall be at liberty to allow other interested parties to inspect such submissions.
29. The confidential version shall contain all information which is, by nature, confidential, and/or other information, which the supplier of such information claims as confidential. For the information which is claimed to be confidential by nature, or the information on which confidentiality is claimed because of other reasons, the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed.
30. The non-confidential version of the information filed by the interested parties should essentially be a replica of the confidential version with the confidential information preferably indexed or blanked out (where indexation is not possible) and such information must be appropriately and adequately summarized depending upon the information on which confidentiality is claimed.
31. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons containing a sufficient and adequate explanation in terms of Rule 7 of the AD Rules, 1995 and appropriate trade notices issued by the Authority, as to why such summarization is not possible, must be provided to the satisfaction of the Authority.
32. The interested parties can offer their comments on the issues of confidentiality claimed by any other interested parties within 7 days of the receipt of the non-confidential version of the documents filed before the Authority as indicated in paragraph 24 of this initiation notification.
33. Any submission made without a meaningful non-confidential version thereof or without a sufficient and adequate cause statement in terms of Rule 7 of the AD Rules, 1995 and appropriate trade notices issued by the Authority, on the confidentiality claim shall not be taken on record by the Authority.
34. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or if the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.
35. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorization of the party providing such information.

M. INSPECTION OF PUBLIC FILE

36. A list of registered interested parties will be uploaded on the DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions to all other interested parties. Failure to circulate non-confidential version of submissions/ response/ information might lead to consideration of an interested party as non-cooperative.

N. NON-COOPERATION

37. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period or within the time stipulated by the Authority in this initiation notification, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings based on the facts available and make such recommendations to the Central Government as deemed fit.

DARPAN JAIN, Designated Authority