



**Government of Pakistan  
National Tariff Commission**

**Report**

**On**

**Conclusion of**

**Sunset Review of Anti-Dumping Duties Imposed on Dumped  
Imports of Offset Printing Ink Originating in and/or Exported  
from the People's Republic of China and the Republic of Korea**

**A.D.C No. 40/2015/NTC/OPI/SSR/2022  
January 5, 2024**

**Report on Conclusion of Sunset Review of Anti-Dumping Duties Imposed on Dumped Imports of Offset Printing Ink Originating in and/or Exported from the People's Republic of China and the Republic of Korea**

**A. INTRODUCTION**

The National Tariff Commission (the "Commission") having regard to the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (the "Agreement on Anti-dumping"), Anti-Dumping Duties Act, 2015 (the "Act") and the Anti-Dumping Duties Rules, 2022 (the "Rules") relating to the investigation/ review and determination of dumping of goods into the Islamic Republic of Pakistan ("Pakistan"), material injury to the domestic industry caused by such imports, and imposition of anti-dumping duties to offset the impact of such injurious dumping, and to ensure fair competition thereof. Section 58 of the Act relates to review of anti-dumping duties imposed on dumped imports of the investigated product.

2. Having regard to the Section 58(3) of the Act, a definitive anti-dumping duty shall not expire if the Commission determines in a review that the expiry of such anti-dumping duty would be likely to lead to continuation or recurrence of dumping and injury.

3. The Commission has conducted a sunset review of the anti-dumping duties levied on dumped imports of Offset Printing Ink ("OPI") classified under PCT Heading Nos. 3215.1190, 3215.1910, 3215.1110 and 3215.1990 from the People's Republic of China ("China") and the Republic of Korea ("Korea") (collectively referred as the "Exporting Countries") under the Act and the Rules. This report on conclusion of the review has been issued in accordance with Rule 43(2) of the Rules.

4. In terms of Section 62(2) of the Act, the sunset review under Section 58 of the Act shall normally be completed within twelve months from its initiation. The sunset review was initiated on July 19, 2022. However, during the period from December 30, 2022 to August 29, 2023, the Commission lacked the quorum as defined under Section 15 of the Act, due to retirement of members. Therefore, this sunset review investigation was kept pending during this period.

**B. BACKGROUND**

**5. The Anti-dumping Duties in Place**

The Commission made final determination in this investigation under Section 39 of the Act on July 14, 2017 and concluded the investigation without imposition of anti-dumping duties on dumped imports of OPI. Notice of the final determination in that case was published in the official Gazette and press on July 21, 2017.

5.2 The Applicant (M/s. DIC Pakistan Limited, Lahore), being aggrieved of the non-imposition of antidumping duties, filed an appeal before the Anti-Dumping Appellate Tribunal (the "Tribunal") under Section 70 (1) (ii) of the Act on August 31, 2017. The

Tribunal remanded the case back to the Commission on February 22, 2022 and decided as follows in appeal No 215 of 2017 dated February 17, 2022:

*"..... having discussed as above, we are of the view that the Commission's findings are not consistent with facts and law. Accordingly, the Final Determination impugned herein dated 14.07.2017 is set aside and the matter is remanded to the Commission for de novo determination in the light of observations made in above paragraphs, strictly in accordance with the ADD Act and the rules made thereunder, within a period of 45 days."*

5.3 In light of the Tribunal's decision, the Commission re-examined the final determination dated July 14, 2017, and concluded that the domestic industry suffered material injury on account of volume of dumped imports, price undercutting, price suppression, decline in production, sales, profits, productivity, capacity utilization; negative effect on salaries and wages in terms of Section 15 and 17 of the Act, and there was a causal relationship between dumped imports of the investigated product and the material injury to the domestic industry. Therefore, the Commission imposed following definitive anti-dumping duties on dumped imports of OPI importable from the Exporting Countries till July 20, 2022 from the date of publication of notice in the Press i.e. April 07, 2022:

**Table-I  
Anti-dumping Duty Rates**

Country	Exporter/ Producer	Definitive Duty Rate (%)
(1)	(2)	(3)
China	<b>Exporters chosen as sample;</b>	
	• Jinan Crown Ink Co. Ltd.	17.92
	• Shanghai Silian Printing Ink Chemical Co. Ltd.	16.67
	<b>Cooperated Exporter;</b>	
• Shanghai Peony Printing Ink Co., Ltd.	17.43	
	<b>Others</b>	17.92
Korea	<b>Exporters chosen as sample;</b>	
	• Daihan Ink Co. Ltd	2.16
	• Dong Yang Ink Co. Ltd.	12.88
	<b>Cooperated Exporter;</b>	
	• Kwang Myung Ink Co. Ltd	6.95
	• Joeun Ink and Chemical Co. Ltd	6.95
• Korean Printing Ink Co. Ltd.	6.95	
	<b>Others</b>	12.88

C. PROCEDURE

6. The procedure set out below has been followed with regard to this sunset review in accordance with relevant provisions of the Act and Rules.

7. Notice of Impending Expiry of Definitive Anti-dumping Duty

In terms of Section 58(3) of the Act, the definitive anti-dumping duties shall not expire if the Commission determines in a review initiated before expiry of anti-dumping duties that the expiry of such duties would be likely to lead to continuation or recurrence of dumping and injury and such anti-dumping duty shall remain in force pending the outcome of the review. The Commission published a notice of impending expiry of the anti-dumping duty in this case in official Gazette and national press in accordance with Section 58 (2) of the Act on April 14, 2022.

8. Receipt of Application

The Commission received a written application under Section 58(3) of the Act on May 28, 2022 from M/s. DIC Pakistan Limited, Lahore (the "Applicant"), who is a domestic producer of OPI. The application was in response to the notice of impending expiry of the anti-dumping duty imposed on dumped imports of OPI into Pakistan originating in and /or exported from China and Korea. The Applicant contended that expiry of anti-dumping duty on OPI would likely to lead to continuation or recurrence of dumping of OPI from the Exporting Countries and would cause injury to the domestic industry producing OPI.

9. Evaluation and Examination of the Application

Examination of the application showed that it met the requirements of Section 58(3) of the Act as it contained sufficient evidence of likelihood of continuation or recurrence of dumping of OPI from Exporting Countries and injury to the domestic industry.

10. Domestic Industry

10.1 As per the information available with the Commission, the domestic industry producing OPI consists of two units i.e. the Applicant and M/s. Spring Inks & Chemicals Lahore.

10.2 During the course of the review investigation, the Commission wrote letters and sent questionnaire to M/s. Spring Inks & Chemicals, Lahore, however, it has not

provided any data/ information to the Commission in response to the questionnaire and chose to remain silent.

#### 11. Standing of the Application

11.1 The application fulfilled requirements of Section 24 of the Act, which require the Commission to assess the standing of the domestic industry on basis of the degree of support for or opposition to the application expressed by the domestic producers of the like product.

11.2 In terms of Section 24(1) of the Act, an application shall be considered to have been made by or on behalf of the domestic industry only if it is supported by those domestic producers whose collective output constitutes more than fifty percent of the total production of a domestic like product produced by that portion of the domestic industry expressing either support for or opposition to the application. Furthermore, Section 24(2) of the Act provides that no investigation shall be initiated when domestic producers expressly supporting an application account for less than twenty five percent of the total production of domestic like product produced by the domestic industry.

11.3 The application was filed by the M/s DIC Pakistan Limited. As per the information provided by the Applicant and available with the Commission, the Applicant constitutes 42 percent of the total domestic production of domestic like product and the other unit in the industry remains silent or indifferent. Therefore, the application fulfills standing requirements of Section 24 of the Act. Therefore, the application is considered to be made on behalf of the domestic industry, following table shows production share of each unit of the industry:

**Table-II**  
**Standing of Application**

<b>Unit Name</b>	<b>% share in total production</b>	<b>Status</b>
(2)	(3)	(4)
DIC Pakistan Limited	42	Applicant
Spring Inks & Chemicals	58	Indifferent
Total	100	

*Source: the Applicant*

11.4 Besides the Applicant's claim that the domestic OPI manufacturing industry consists of above two units, the Commission during the review came to know that there is another market player M/s Daihan Ink Pakistan whose information regarding its status as manufacturer or importer is not confirmed.

11.5 In order to assess the accurate standing of the application, several efforts were made to contact M/s. Spring Inks & Chemicals Lahore and M/s Daihan Ink Pakistan Ltd. On January 13, 2023 both parties were also requested via telephone to participate in the ongoing review. In this connection both parties were invited through letter dated January 19, 2023 to attend meeting at the Commission on January 31, 2023. However, they preferred to avoid the meeting by requesting to reschedule the meeting on February 9, 2023. Meeting was rescheduled accordingly but none of the parties attended the meeting.

11.6 On the basis of the above information and analysis it is determined that the application is made on behalf of the domestic industry as it fulfils the requirement of Section 24 of the Act.

## 12. Initiation of Sunset Review

12.1 Upon examination of the application, the Commission established that it met requirements of Section 58 of the Act. Therefore, the Commission initiated sunset review on July 19, 2022 to determine whether there is likelihood of continuation or recurrence of dumping of OPI from the Exporting Countries and injury to the domestic industry.

12.2 In terms of Section 27 of the Act, the Commission issued a notice of initiation of the Sunset Review, which was published in the official Gazette of Pakistan and in two widely circulated national newspapers ("Daily Jang" and "Pakistan Today") on July 19, 2022.

12.3 The Commission notified the Diplomatic Missions of China and Korea in Pakistan on July 19, 2022 of the initiation of the review by sending a copy of the notice of initiation of the sunset review with a request to forward it to all exporters/ producers involved in production, sales and export of OPI. Copies of notice of initiation were also sent to the Applicant, known exporters/producers of OPI in the Exporting Countries on July 20, 2022, and to known importers on July 19, 2022, in accordance with the requirements of Section 27 of the Act.

12.4 In accordance with Section 28 of the Act, on July 20, 2022, the Commission also sent copy of full text of the written application (non-confidential version) to all exporters/producers of OPI in the Exporting Countries, whose complete addresses were available with the Commission and to the diplomatic missions of the Exporting Countries in Islamabad with a request to forward it to all exporters /producers of OPI in their Countries involved in production, sale and/or export of product under review.

13. Product under Review

13.1 The product under review is offset printing ink in the form of paste also known as paste ink or oil based offset printing ink, but does not include water based, UV based, solvent based, flexographic rotogravure and other inks in liquid, powder or solid form (“OPI”), imported from the Exporting Countries. The said product is classified under Pakistan Customs Tariff (“PCT”) Nos. 3215.1110, 3215.1190, 3215.1910 and 3215.1990. It is mainly used for printing and publishing of packaging material, POS printing, text books etc.

13.2. Following table shows current tariff structure applicable on imports of OPI:

**Table-III**  
**Tariff Structure of OPI (%)**

PCT Heading	Description	Customs Duty	Add. customs duty	RD	FTAs/PTAs
(1)	(2)	(3)	(4)	(5)	(6)
Chapter 32	Tanning or Dyeing extracts; tannins and their derivatives; dyes; pigments and other coloring matter; paints and vanishes; putty and other mastics; inks				
32.15	Printing ink, writing or drawing ink and other inks, whether or not concentrated or solid.				
	- Printing ink:				
	-- Black:				
3215.1110	--- Rolling coating printing ink	16	04	-	CN_16; MY=0; SAARC_LDCs= Conc. 15% LK_FTA Conc. = 100%
3215.1190*	--- Other	20	06	-	MY=20; LK_FTA Conc. = 100%
	--- Other:				
3215.1910	--- Flourescent ink	16	04	-	CN_12; MY=10; SAARC_LDCs= Conc. 15% LK_FTA Conc. = 100%
3215.1990**	--- Other	20	06	-	CN_16; MY=20; SAARC_LDCs= Conc. 15% LK_FTA Conc. = 100% TUR_CD= 16%, ACD=5.83%

\*Importable @ 0% CD for auto-disposable syringes under Second (Fifth) Schedule to Customs Act

\*\* Importable @ 5% CD edible ink for pharmaceutical industries under Second (Fifth) Schedule to Customs Act

14. Domestic like Product

14.1 The “domestic like product” is offset printing ink in the form of paste also known

as paste ink or oil based offset printing ink, but does not include water based, UV based, solvent based, flexographic rotogravure and other inks in liquid, powder or solid form ("OPI"). The domestic like product falls under the PCT Nos. of 3215.1110, 3215.1190, 3215.1910 and 3215.1990. The domestic like product is also used for printing and publishing of packaging material, POS printing, text books etc.

14.2. The Commission in its original investigation had determined that the investigated product and the domestic like product were like products; therefore, for the purposes of this review, the Commission has determined that the product under review and the domestic like products are like products.

#### 15. Period of Review

The Period of Review ("POR") for this sunset review was from April 01, 2019 to March 31, 2022. Therefore, likely recurrence or continuation of dumping of the product under review and likely recurrence or continuation of material injury to the domestic industry is determined on the basis of this POR in accordance with relevant provisions of the Act and the Rules.

#### 16. Information/Data Gathering

16.1 The Commission sent questionnaires on July 20, 2022 to all known exporters/producers of OPI from the Exporting Countries, asking them to respond within 37 days of the dispatch of the questionnaires. The Commission also sent a copy of the Exporter's questionnaire to the diplomatic missions of the Exporting Countries in Pakistan on July 19, 2022 with a request to forward it to all known exporters/ producers of OPI in their countries.

16.2 No response from any exporter/foreign producer was received within the prescribed time period. Therefore, reminders were issued to the exporters/foreign producers on August 31, 2022 explaining that, if no response of the questionnaire is submitted by them, the Commission will be constrained to make determination of likely continuation or recurrence of dumping of the product under review on the basis of "best information available" including those contained in the application submitted by the domestic industry. However, none of the exporters/ producers from the Exporting Countries responded to the Commission and did not provide requisite information.

16.3 Questionnaire was also sent to all known importers of the product under review on July 19, 2022. Reminders were also sent on August 31, 2022; however, no response was received. Questionnaire was sent to other producers of domestic like product on July 20, 2022 and reminders were also sent on August 31, 2022, however, no response was received.



16.4 The Commission has access to the import statistics of Pakistan Revenue Automation Limited ("PRAL"), the data processing arm of the Federal Board of Revenue, Government of Pakistan. For the purpose of this review the Commission has also used import data obtained from PRAL's database in addition to the information provided by the Applicant. Further, the Commission has also obtained certain information from publicly available sources, which, *inter-alia*, includes, websites producers of OPI in the Exporting Countries, International Trade Centre website ([www.trademap.org](http://www.trademap.org)) and other sources etc.

#### 17. Views, Comments and Hearing

17.1 All interested parties known to the Commission were invited for their views/comments and to submit information and documents (if any) with regard to this sunset review. However, the Commission has not received any comments/information from any interested party.

17.2 The interested parties were required to request for hearing in this sunset review within 45 days of the publication of the notice of initiation. The Commission did not receive any request for hearing in this review. Therefore, no hearing was held in this sunset review.

#### 18. Verification of Information

18.1 In terms of Section 23, 32(4) and 35 of the Act and Rule 11 of the Rules, the Commission, during the course of the investigation /review, satisfies itself as to the accuracy of information supplied by the interested parties to the extent possible.

18.2 In order to verify the information/data provided by the Applicant and to obtain further information (if any), officers of the Commission conducted on-the-spot verification at the office and plant of M/s DIC Pakistan Limited from December 21 to 23, 2022. Reports of the on-the-spot verifications are made available to the interested parties by placing them in the public file.

#### 19. Public File

The Commission, in accordance with Rule 7 of the Rules, has established and maintained a public file of this sunset review at its office. This file remains available to the interested parties for review and copying from Monday to Thursday between 1100 hours to 1300 hours throughout the review. This file contains non-confidential versions of the application, submissions, notices, on-the-spot investigation reports, correspondence, and other documents for disclosure to the interested parties.

## 20. Confidentiality

20.1 In terms of Section 31 of the Act, the Commission shall keep confidential any information submitted to it, which is by nature confidential, or determined by the Commission to be of confidential nature for any other reason, or provided as confidential by the interested parties upon good cause shown to be kept confidential.

20.2 The Applicant has requested to keep confidential the information, which is by nature confidential in terms of Section 31 of the Act. This information includes data relating to sales, sale prices, cost to make and sell, inventory, production, profit/ (loss), return on investment, investment, salaries & wages, number of employees etc. However, the Applicant has submitted non-confidential summaries of the confidential information in accordance with the Section 31(5) of the Act. Non-confidential summaries permit a reasonable understanding of the information submitted in the confidence.

20.3 Pursuant to requests made by the Applicant to treat certain information as confidential, the Commission has determined the confidentiality in light of Section 31 of the Act, and for the reasons that disclosure of such information may be of significant competitive advantage to a competitor, or because its disclosure would have a significant adverse effect upon the interested parties providing such information. However, in terms of Sub-Section (5) of Section 31, non-confidential summaries of all confidential information, which provide reasonable understanding of the substance, have been placed in non-confidential file (public file).

## 21. Disclosure of Essential Facts

21.1 In terms of Rule 15(1) of the Rules, the Commission disclosed essential facts, and in this context circulated a Statement of Essential Facts (the "SEF") on October 20, 2023 to all interested parties including the Applicant, exporters/producers from the Exporting Countries, importers and the Embassies of the Exporting Countries in Pakistan.

21.2 Under Rule 15(2) of the Rules, the interested parties were required to submit their comments (if any) on the facts disclosed in SEF, in writing, not later than fifteen days of such disclosure. None of the interested parties have submitted any comments on SEF.

## 22. Determination of Likely Continuation or Recurrence of Dumping

To determine likely continuation or recurrence of dumping of the product under review, the Commission has, *inter alia*, followed Rule 40 of the Rules and has considered relevant factors including the factors listed therein. As no exporter has provided any information (paragraph 16.1 and 16.2 supra), therefore, likely continuation or recurrence of dumping of the product under review is determined on the basis of best information

available. Information on these factors has been gathered /obtained from different sources including the Applicant, PRAL, articles published in different journals, websites of exporters and producers of OPI, ITC & other sources etc.

**22.1 Whether exporters or producers from the Exporting Countries stopped or continued exporting the product under review to Pakistan after imposition of anti-dumping duty**

22.1.1 As there was no anti-dumping duty in place during the entire POR, therefore, no impact of anti-dumping duties could be assessed on volume of imports of the product under review during the POR. Table below shows volume of imports of the product under review from the Exporting Countries and other sources during the original POI, and the POR:

**Table-IV  
Imports of OPI (Kgs)**

Year/Period	Dumped Imports			Other Imports	Total Imports
	China	Korea	Total		
(1)	(2)	(3)	(4)	(5)	(6)=(4+5)
Oct 14 - Sep 15*	60	35	95	5	100
Apr 19 - Mar 20	44	23	67	14	81
Apr 20 - Mar 21	48	21	69	20	89
Apr 21 - Mar 22	57	30	87	28	115

\* POI of original investigation

Source: PRAL’s information segregated by the Applicant

Note: To maintain confidentiality, the figures are indexed by taking total imports in the Oct 14 - Sep equals to 100.

22.1.2 It is evident from the above table that in absence of anti-dumping duties, the dumped imports continued with the similar pace. The decreasing trends in the first two years of the POR can be attributed to COVID-19 pandemic (refer para 22.2.1 infra), resulting in a decline in total domestic market. Similarly, the increase in dumped imports during the last year of the POR also corresponds to the overall increase in the domestic market (Table-XI infra).

22.1.3 Total dumped imports during the last year of POR remained less than that of original POI by 9% despite the post COVID recovery in that year. At the same time, imports from non-dumped sources registered continued increase in absolute terms and their imports grew by 513% when compared with that of the original POI. Despite this decreasing trend, the dumped imports were 75% of the total imports during the last year of the POR and were 68% of the total domestic market (Table-XI infra) during the same period. The dumped sources remained the major source of imports because of pricing practices of the exporters.

22.1.4 From the above information and analysis, the Commission is of the view that due to absence of anti-dumping duties, the Exporting Countries were able to continue

aggressive pricing practices during the POR, which led to increase in imports of the product under review to Pakistan.

22.2 Past and likely future performance of the exporters/foreign producers

22.2.1 As per the Ink World Magazine’s report i.e. The 2021 Asia-Pacific Ink Report, the Asia Pacific is the largest region for printing inks estimating the total annual inks’ sales of around USD 7.5 billion, while China is thought to have largest share of approximately USD 3 billion annually. In the recent past, there had been a decrease in offset printing ink exports by China as well as South Korea. This fact is reported by the [www.inkwordmagazine.com](http://www.inkwordmagazine.com). Relevant extract of the report has been quoted below:

“Even with the COVID-19 pandemic, demand for packaging ink remains strong and firm as an essential business and has contributed to an acceptable level of sales. “On the other hand, offset ink sales have declined significantly due to ongoing digitization and a decrease of advertising and events caused by lockdown restrictions. We would say that China has attained significant growth in the past year, partly due to special demand for exports which had helped other countries during lockdown and industries that have been temporarily shut down. Currently, as the economies of developed nations and other countries recover, transportation costs are rising, and export products in small margin and large volume business are starting to show signs of slowing down in some areas. Nonetheless, we see continued growth in the market which had quickly returned from the coronavirus lockdown.”

22.2.2 Following table shows exports of inks at six-digit level (obtained from ITC’s website) from the Exporting Countries. These exports also include other inks besides the product under review.

Table-V  
Exports of Inks by the Exporting Countries (Kgs)

Country	Exports to the World in KGs						
	HS Code	2017	2018	2019	2020	2021	2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
China	3215.1100	2,679,918	2,748,771	2,752,000	2,198,755	2,608,581	3,192,230
	3215.1900	24,246,000	23,945,308	23,769,556	19,367,000	21,647,165	26,400,411
	<b>TOTAL</b>	<b>27,483,000</b>	<b>26,625,000</b>	<b>26,633,000</b>	<b>21,566,000</b>	<b>21,576,000</b>	<b>29,592,641</b>
South Korea	3215.1100	5,743,000	5,651,000	5,565,000	4,100,000	4,810,000	5,397,000
	3215.1900	21,980,000	21,774,000	21,007,000	17,030,000	19,221,000	19,299,000
	<b>TOTAL</b>	<b>27,723,000</b>	<b>27,425,000</b>	<b>26,572,000</b>	<b>21,130,000</b>	<b>24,031,000</b>	<b>24,696,000</b>
All Exporting Counties		<b>55,206,000</b>	<b>54,050,000</b>	<b>53,205,000</b>	<b>42,696,000</b>	<b>45,607,000</b>	<b>54,288,641</b>

Source: [www.trademap.org](http://www.trademap.org)

22.2.3 It is evident from the above table that in the absence of anti-dumping duties, the dumped imports continued at a similar pace. The decreasing trends in the first two years of the POR can be attributed to COVID-19 pandemic (refer para 22.2.1 supra), resulting a decline in total domestic market. Similarly, the increase in dumped imports during the last year of the POR also corresponds to the overall increase in the domestic market (Table-XI infra).

22.2.3 Total dumped imports during the last year of the POR remained less than that of the original POI by 9% despite the post COVID recovery in that year. At the same time, imports from non-dumped sources registered continue increase in absolute terms and their imports grew by 513% when compared with that of the original POI. Despite this decreasing trend, the dumped imports were 75% of the total imports during the last year of the POR and were 68% of the total domestic market (Table-XII infra) during the same period. The dumped imports remained the major source of imports because of the pricing practices of the exporters.

22.2.4 From the above information and analysis, the Commission is of the view that due to absence of anti-dumping duties, the Exporting Countries were able to continue aggressive pricing practices during the POR, which led to increase in imports of the product under review to Pakistan.

**22.3. Whether exporters of the Exporting Countries have developed other export markets**

22.3.1 As anti-dumping duties were not in place during the POR, therefore, it is not possible to assess behavior of the exporters from dumped sources, whether they have shifted their exports to other markets. However, the following table shows major export destinations of printing inks including offset printing inks, at six-digit level, from the Exporting Countries:

**Table-VI**  
**Major Export Destinations of Printing Inks**  
**by the Exporting Countries (Kgs)**

Country	South Korea		Country	South Korea	
	3215.11			3215.19	
	2017	2022		2017	2022
(1)	(2)	(3)	(5)	(6)	(7)
World	5,743,000	5,397,000	World	21,980,000	19,299,000
Russia	165,000	665,000	Viet Nam	3,221,000	2,853,000
USA	482,000	520,000	USA	1,269,000	1,669,000
Netherlands	410,000	500,000	Russia	505,000	1,421,000
Viet Nam	655,000	368,000	Thailand	1,813,000	1,300,000
Japan	337,000	364,000	Taipei, Chinese	1,295,000	1,111,000
Pakistan	147,000	112,000	Pakistan	788,000	660,000
Others	3,547,000	2,868,000	Others	13,089,000	10,285,000

Source: [www.trademap.org](http://www.trademap.org)

**Table-VII**  
**Major Export Destinations of Printing Inks**  
**by the Exporting Countries (Kgs)**

Country	China		Country	China	
	3215.11			3215.19	
	2017	2022		2017	2022
(1)	(2)	(3)	(5)	(6)	(7)
World	3,237,000	3,192,000	World	24,246,000	26,400,000
Russia	11,000	282,000	Viet Nam	2,952,000	4,587,000
Taiwan	263,000	270,000	India	1,899,000	2,439,000
India	201,000	230,000	Indonesia	1,164,000	1,591,000
Indonesia	105,000	215,000	Russia	290,000	1,426,000
Hong Kong, China	272,000	201,000	Myanmar	53,000	1,277,000
Pakistan	159,000	119,000	Pakistan	2,041,000	1,558,000
Others	2,226,000	1,875,000	Others	15,847,000	13,522,000

Source: [www.trademap.org](http://www.trademap.org)

22.3.2 Table-VI and VII show that there is a mix trends in export markets of printing inks by Korea and China. Nonetheless, anti-dumping duties were not present and no diversion of exports from Pakistan could be observed from the above data.

**22.4 Trade remedial actions taken by other countries on exports of the product under review and whether such actions are likely to cause a diversion of imports into Pakistan**

The information provided by WTO anti- dumping data base and World Bank database showed that no trade defense measures taken by any other country on the product under review.

**22.5 Changes in the market conditions in the exporting country and internationally including the supply of and demand for the product under review**

22.5.1 As analyzed in the foregoing paragraphs, that internationally there is an ongoing trend of digitization, which could lead to shrunken demand for offset printing ink in future. Besides, the major temporary change that happened globally was the impact of COVID-19 that reduced the exports, but these exports quickly recovered after COVID-19 proving it to be a short-lived phenomenon (Table-V supra). Moreover, despite having export surplus, no other country has targeted OPI exporters from the Exporting Countries in any trade remedial action.

22.5.2 From the above analysis the Commission is of the view that there is no significant development in the market conditions faced by the Exporting Countries that could have significantly alter patterns of supply of and demand for the product under review.

**22.6 Condition for competition with the non-dumped imports of the like product**

22.6.1 The table below shows the comparison of quantities and prices of competing imports as well as that of domestic sales:

**Table-VIII**  
**Source-wise Imports, Domestic Sales and Prices (Volume, Per KG)**

Period	Sales of domestic like product	Dumped Imports	Non-Dumped Imports	Price of domestic like product	Landed cost of dumped imports	landed cost of non-dumped imports
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Oct 14 - Sep 15*	100	1,166	56	100	76	64
Apr 19 - Mar 20	134	814	175	144	121	149
Apr 20 - Mar 21	133	846	247	158	125	150
Apr 21 - Mar 22	150	1,062	342	174	129	141

\* Original POI Source: PRAL, segregated by the Applicant  
Note: To maintain confidentiality, the figures are indexed by taking sales of domestic like product in the Oct 14 - Sep 15 and price of domestic like product in the Oct 14 - Sep 15 equals to 100.

22.6.2 It is evident from the above table that the dumped imports are leading the competition both in terms of quantities as well as in pricing. However, the non-dumped imports have registered a significant increase during the POR. Exports from non-dumped sources only had 4% market share in the original POI which increased to 22% of the total domestic market in the last year of the POR (refer Table-XI infra). It is also worth mentioning that by the last year of the POR domestic market has also grown by 17% as compared to the original POI. The imports from non-dumped sources increased their market share despite the fact that its landed cost was above the landed cost of dumped imports, but it was lower than the price of domestic like product. This means both, the dumped as well as non-dumped imports, undercut prices of the domestic like product during the POR. This lead to decrease in market share of dumped imports from 88% in the original POI to 68% in the last year of the POR even though no anti-dumping duties were in place during this period.

22.6.3 At the same time domestic industry also increased its market share slightly from 8% to 10% even though its prices were higher than the landed cost of OPI from dumped and non-dumped sources.

22.6.4 From the above data and analysis the Commission is of the view that during the POR, competition with non-dumped imports has increased relatively as compared to the dumped imports.

### 23. Determination of Likely Recurrence or Continuation of Injury to the Domestic Industry

23.1 Likely injury to the domestic industry is determined in accordance with Rule 41 of the Rules. The Commission has taken into account relevant factors in order to determine likely continuation or recurrence of injury to the domestic industry. As there was no antidumping duty in place during the entire POR, therefore, the likelihood of continuation or recurrence of injury could not be assessed. To determine likelihood of continuation or recurrence of injury to the domestic industry, the Commission, *inter alia*, considered following factors:

- i. Likely change in volume of imports of the product under review if anti-dumping duty is terminated;
- ii. Likely impact of imports of the product under review on prices of the domestic like product with and without anti-dumping duties;
- iii. Consequent likely impact on the domestic industry, which includes likely and potential decline in: sales, profits, output, market share, productivity, return on investment, capacity utilization and likely negative effects on:



cash flow, inventories, employment, wages, growth, ability to raise capital or investments; and

- iv. changes in market conditions in the economy of Pakistan and internationally, including changes in the supply of and demand for the imports of the product under review.

23.2 Information/facts on injury factors are provided in the following paragraphs. It is worth mentioning that the information on injury factors is for the Applicant only as other producers in the industry have neither provided information to the Commission nor their information for the product under review is publicly available.

### 23.3 Likely Effect on Volume of Dumped Imports

23.3.1 With regard to the volume of dumped imports, in terms of Section 15(2) of the Act, it is considered whether there would be significant increase in dumped imports, either in absolute terms or relative to the consumption or production of the domestic like product if there is no anti-dumping duty at place.

23.3.2 The information on volume of imports of the OPI from dumped sources and other sources during the POI of original investigation and the POR is given in the table-IV supra. Dumped imports of the product under review declined after conclusion of the original investigation despite the fact that no antidumping duties were imposed. That decline in volume of imports can be attributed to COVID-19 pandemic, resulting in a decline in total domestic market (Table-XI infra). However, it increased during the POR, which remained 76 percent to 82 percent of the total imports. This increase in volume of dumped imports during the last year of the POR also corresponds to the overall increase in the domestic market (Table-XI infra). Apparently this trend of imports of the product under review was due to non-imposition of anti-dumping duties.

### 23.4 Likely Price Effects on the Domestic Like Product

Impact of dumped imports of the OPI on the sales price of the domestic like product in the domestic market is assessed in the following paragraphs. This analysis aims to determine the presence of price undercutting (the degree to which the price of dumped imports was lower than that of the domestic like product), price depression (the extent of the decrease in selling prices of the domestic like product), and price suppression (the extent to which the increased cost of production couldn't be offset by an increase in the selling price of the domestic like product).

23.5 **Price Undercutting**

23.5.1 Comparison of weighted average ex-factory price of the domestic like product with weighted average landed cost of the product under review during the original POI and the POR is given in the following table:

**Table-IX  
Price Undercutting (Per KG)**

Period*	Domestic product’s price	Landed cost of dumped imports	Price Undercutting	
			Absolute	Percentage
(1)	(2)	(3)	(4)	(5)
Oct 14 - Sep 15*	100	76	24	24
Apr 19 - Mar 20	144	121	23	16
Apr 20 - Mar 21	158	125	33	21
Apr 21 - Mar 22	174	129	46	26

\* Original POI

Source: PRAL, segregated by the Applicant

Note: To maintain confidentiality, the figures are indexed by taking price of domestic like product in the Oct 14 - Sep 15 in the Oct 14 - Sep 15 equals to 100.

23.5.2 The above table shows that the landed cost of the investigated product undercut prices of domestic like product during the original POI as well as throughout the POR.

23.5.3 From the above information and analysis, the Commission is of the view that the domestic industry continued to suffer price undercutting in absence of anti-dumping duties during the POR.

23.6. **Price Depression**

The information provided in Table-IX above shows that prices of domestic like product increased throughout the POR despite the fact that no anti-dumping duties were in place. Therefore, domestic industry did not suffer price depression

23.7 **Price Suppression:**

23.7.1 The following table shows the information with regard to weighted average cost to make and sell and weighted average ex-factory sales price of domestic like product:

**Table-X**  
**Price Suppression ( Per KG)**

Year/ Period	Domestic like product’s		Increase/decrease in:	
	Cost to make and sell	Ex-factory price	Cost to make & sell	Price
(1)	(2)	(3)	(4)	(5)
Oct 14 - Sep 15*	104	100	0.3	3.1
Apr 19 - Mar 20	136	144	--	--
Apr 20 - Mar 21	144	158	7.7	13.7
Apr 21 - Mar 22	153	174	9.3	16.6

\* POI of Original Investigation

Sources: the Applicant

Note: To maintain confidentiality, the figures are indexed by taking ex- factory price of domestic like product in the Oct 14 - Sep 15 equals to 100.

23.7.2 The above table shows that domestic like product’s cost to make & sell increased throughout the POR. However, the domestic industry recovered increased cost to make and sell by increasing its price despite the fact the anti-dumping duties were not in place. The Applicant increased its prices almost double than the increase in its cost i.e. there was 5.6 percent increase and 6.4% in cost to make & sell during 2020-21 and 2021-22 respectively, whereas the Applicant increased its price by 9.5percent and 10.5 respectively in the corresponding years.

23.7.3 From the above information and analysis, the Commission is of the view that there is no likelihood that the domestic industry would suffer price suppression even if anti-dumping duties are terminated.

**23.8 Likely Effects in Sales and Market Share**

23.8.1 The sales and market share of each segment of supply during the period of original investigation and period of review are given in table below:

**Table - XI**  
**Sales and Market Share**

Year	Domestic Industry’s share		Dumped imports’ share		Other imports’ share		Total Market	%change**
	Volume*	%share	Volume	%share	Volume	%share	Volume	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)=(2+4+6)	(9)
Oct 14 - Sep 15*	8	8%	88	88%	4	4%	100	--
Apr 19 - Mar 20	10	12%	62	72%	13	16%	85	(15.1%)
Apr 20 - Mar 21	10	11%	64	69%	19	20%	93	(7.3%)
Apr 21 - Mar 22	11	10%	80	68%	26	22%	118	17.6%

\* POI of Original Investigation

\*\* % change vis-à-vis original POI

Sources: the Applicant and PRAL

Note: To maintain confidentiality, actual figures are indexed by taking figures of total market in Oct 14 - Sep 15 equals to 100.

23.8.1 The above table shows that there was a decline in the market size in first two years of the POR which corresponds to the COVID-19 pandemic, however, during the last year of the POR the domestic market increased by 17 percent. Domestic industry’s market share has increased throughout the POR despite decline in the overall domestic market in first two years of the POR and the anti-dumping duties were not in place during this period. Further, market share of the dumped imports declined significantly throughout the POR despite the fact that there were no anti-dumping duties imposed on it for this period.

23.8.2 Domestic industry’s sales witnessed an overall increase of 50 percent in last year of the POR compared with its sales of the original POI, whereas imports of the product under review declined by 9 percent for the same periods despite the fact that there was no anti-dumping duties in place.

23.8.3 From the above information and analysis, the Commission is of the view that there is no likelihood of injury to the domestic industry on account of market share if anti-dumping duties are terminated.

**23.9 Likely Effects on Production and Capacity Utilization**

23.9.1 The following table shows installed production capacity, production and capacity utilization of the Applicant during the original POI and the POR:

**Table - XII**  
**Production and Capacity Utilization (Volume)**

Period	Installed Capacity	Production	Capacity Utilization
(1)	(2)	(3)	(4)
Oct 14 - Sep 15*	100	10.29	10.29%
Apr 19 - Mar 20	100	13.55	13.55%
Apr 20 - Mar 21	100	13.95	13.95%
Apr 21 - Mar 22	100	15.25	15.25%

\* POI of Original Investigation Source: the Applicant  
Note: To maintain confidentiality, actual figures are indexed by taking figures of installed capacity in Oct 14 - Sep 15 equals to 100.

23.9.2 The above table shows that installed capacity of the Applicant remained same during period of original investigation and the POR. However, production of the domestic like product increased during the POR as compared to the original POI, even though no anti-dumping duty was in place, resultantly its capacity utilization also increased.

23.9.3. During the verification visit at the Applicant’s premises it was revealed that the Applicant was producing all kinds of OPIs , however, its majority production/sales

pertains to higher value added offset printing inks, specifically manufactured to meet certain requirements of colour tones (Spot OPI). It was found that capacity utilization of Applicant is more focused towards specific color tones than Process OPI.

23.9.4. From the above information and analysis, the Commission is of the view that there is no likelihood of injury to the domestic industry on account of capacity utilization as it was able to increase its capacity utilization even in the absence of anti-dumping duties during the POR.

**23.10 Likely Effects on Profits**

23.10.1 Net profit of the domestic industry during the period of original investigation and the POR is given in the following table:

**Table -XIII  
Applicants’ Profits/Loss (Value)**

Period	OPI’s Profits		Total company’s Profits	
	Gross Profit	Net Profit	Gross Profit	Net Profit
(1)	(2)	(3)	(4)	(5)
Oct 14 - Sep 15*	-	(7)	-	-
Apr 19-Mar 20	8	3	206	100
Apr 20-Mar 21	9	5	243	166
Apr 21-Mar 22	14	9	309	212

\* POI of Original Investigation

Source: the Applicant

Note: To maintain confidentiality, actual figures are indexed by taking figures of net profit in Oct 14 - Sep 15 equals to 100.

23.10.2 The above table shows that the domestic industry’s profits increased significantly during the POR as compared original investigation POI, even though there was no anti-dumping duty levied in this period. Net profits of the Applicant for the domestic like product increased by 201 percent in last year of the POR compared with first year of the POR. Similar trend (112%) is also witnessed in overall net profits, of the Applicant’s entire operations.

23.10.3 From the above information and analysis, the Commission is of the view that there is no likelihood of injury to the domestic industry on account of profits, even if anti-dumping duties imposed after the POR are terminated.

**23.11 Likely Effects on Inventories**

23.11.1 Inventory position of the Applicant of domestic like product during the period of original investigation and the POR is given in the following table:

**Table - XIV**  
**Applicants' Opening and Closing Inventory (Volume)**

Period	Opening Inventory	Closing Inventory
(1)	(2)	(3)
Oct 14 - Sep 15*	80	100
Apr 19 - Mar 20	106	79
Apr 20 - Mar 21	79	181
Apr 21 - Mar 22	181	137

\* POI of Original Investigation

Sources: the Applicant

Note: To maintain confidentiality, actual figures are indexed by taking figures of closing inventory Oct 14 - Sep 15 equals to 100.

23.11.2 The above table shows that closing inventory during the POI for original investigation increased substantially in the last year of the POR. However, this increase in closing inventory corresponds to increase in the production (Table-XI supra). During the original POI the inventories were 4 percent of the domestic production, whilst during the last year of the POR it was again at 4 percent of the domestic production. During the first and second years of the POR the closing inventories were 3% and 6% respectively. This shows that around 4 percent of production is normal level of inventories.

23.11.3 On the basis of the above information and analysis the Commission is of the view that there is no likelihood of injury to the domestic industry on account of inventories, even if anti-dumping duties imposed after the POR are terminated.

**23.12 Likely Effect on Employment, Productivity and Wages**

23.12.1 The Applicant's data on employment, productivity and wages paid during the period of original investigation and POR is given in the table below:

**Table - XV  
Employment, Productivity and Wages**

Year/Period	Number of employees	Salaries & Wages (Value)	Production (Volume)	Productivity ( Per worker)	Salaries & wages (Per KG)
(1)	(2)	(3)	(4)	(5)	(6)
Oct 14 - Sep 15*	100	100	100	100	100
Apr 19 - Mar 20	114	122	132	116	93
Apr 20 - Mar 21	114	131	136	119	96
Apr 21 - Mar 22	118	145	148	125	98

\* POI of Original Investigation Sources: the Applicant

Note: To maintain confidentiality, actual figures are indexed by taking figures in Oct 14 - Sep 15 equals to 100.

23.12.2 The table above shows that even with the absence of anti-dumping duties during the POR, the number of employees and productivity per worker increased, whereas salaries and wages per unit of output remained at the same level. As the antidumping duties eventually applied on April 7, 2022 (after the POR), the above trends are expected to persist even if these anti-dumping duties are terminated.

23.12.3 On the basis of the above information and analysis the Commission is of the view that the domestic industry is not likely to face injury on account of employment, productivity and wages even if these anti-dumping duties are terminated.

**23.13 Likely Effect on Investment and Return on Investment**

23.13.1 The Applicant is multi-product company. Therefore, investment and return on investment for the Applicant are determined for its whole operation, as it cannot be determined separately for each product. The information regarding the return on investment of the Applicant during original POI and the POR is given in the following table:

**Table - XVI**  
**Applicants’ Return on Investment**

Period	Investment (Value)	Return on investment (%)
(1)	(2)	(3)
Oct 14 - Sep 15*	--	19.05
Apr 19 - Mar 20	100	40.12
Apr 20 - Mar 21	125	50.71
Apr 21 - Mar 22	161	71.31

\* POI of Original Investigation Sources: the Applicant  
 Note: To maintain confidentiality, actual figures are indexed by taking figures of investment in Oct 14 - Sep 15 equals to 100.

23.13.2 The above table shows that the Applicant’s return on investments improved significantly during the POR as compared to the period of original POI, even though no anti-dumping duties were in place.

23.13.3 On the basis of the above information and analysis it is concluded that there is no likelihood that the industry may face injury on account of investment and return on investment, even after the termination of anti-dumping duties that were imposed after the POR.

**23.14 Likely Effects on Cash Flow**

23.14.1 The Applicant is a multi-product company and the cash flows for different products cannot be determined separately as number of factors is combined for all products. Therefore, total net cash flow of the entire operations of the Applicant for the POR is given in following table:

**Table - XVII**  
**Applicants’ Cash Flows**

Year/Period	(Value)
(1)	(2)
Oct 14 - Sep 15*	100
Apr 19 - Mar 20	76
Apr 20 - Mar 21	143
Apr 21 - Mar 22	35

\* POI of Original Investigation Sources: the Applicant  
 Note: To maintain confidentiality, actual figures are indexed by taking figures of cash flows in Oct 14 - Sep 15 equals to 100.

23.14.2 The above table shows a sporadic trend in cash flow position of the Applicant throughout the POR. As the Applicant is a multi-product company and cash flows are for entire company, therefore, decline in cash flows cannot be attributed only to the operations of the domestic like product as the Applicant was able to increase its



production, sales, market share, productivity, prices and profits of the domestic like product even when there was no anti-dumping duties in place.

23.14.3 On the basis of the above information and analysis it is concluded that the termination of anti-dumping duties that were imposed on dumped imports of OPI after POR is not likely to have adverse effect on cash flows.

#### 23.14 **Likely Effects on Growth and Investment**

23.15.1 As is evident from Table-XII supra that the installed production capacity of the Applicant is less than the domestic demand for OPI, however, the Applicant was unable to fully utilize the production capacity. Therefore, no further growth is expected in near future. Further, from the information and evidence submitted by the Applicant, it is evident that the domestic industry did not face any difficulty on account of ability to raise capital during the POR.

23.15.2 It is concluded from above information that there is no likelihood that domestic industry would suffer injury on account of growth and investment, if anti-dumping duties imposed after the POR are terminated.

#### 23.16 **Summing up Likely Recurrence or Continuation of Injury**

On the basis of the information, analysis and findings in the foregoing paragraphs the Commission has reached the conclusion that termination of antidumping duties imposed on dumped imports of the product under review effective from April 7, 2022 will not lead to likely continuation or recurrence of material injury to the domestic industry due to dumped imports of the product under review because of the following:

- (a) The domestic industry managed to increase prices of domestic like product much more than the increase in cost to make & sell during the POR even without anti-dumping duties;
- (b) The domestic industry was able to increase its sales, production as well as market share, when no anti-dumping duties were imposed;
- (c) The domestic industry was able to utilize its capacity marginally better than the original POI, even in absence of anti-dumping duties during the POR.
- (d) The domestic industry was able to achieve high profits with an increasing trend throughout the POR, even though no anti-dumping duties were in place. Whereas, during the original POI the Applicant suffered material injury on account of profits and profitability as the domestic industry was incurring losses.

- (e) The employment and productivity per worker increased during the POR even without imposition of anti-dumping duties.
- (f) The Applicant mainly caters specific spot OPI, which is higher in value addition and yields higher profits.

**D. CONCLUSIONS**

24. After taking into account all information, data and analysis, the Commission has reached the following conclusions:

- (a) The Applicant filed an application for sunset review within prescribed time-period in accordance with Section 58(3) of the Act.
- (b) The product under review and the domestic like product are like roducts.
- (c) The Applicant accounted for 42 percent of the domestic production of domestic like product during the POR;
- (d) There were no antidumping duties during the POR. The anti-dumping duties were imposed from April 7, 2022.
- (e) There is likelihood of continuation of dumping of the product under review from the Exporting Countries, if antidumping duties are terminated.
- (f) There is no likelihood of continuation or recurrence of injury to the domestic industry, if anti-dumping duties imposed on dumped imports of the product under review from April 7, 2022 are terminated.

**E      TERMINATION OF DEFINITIVE ANTI-DUMPING DUTIES**

25.      In terms of Section 58(3) of the Act, definitive anti-dumping duties shall not expire if the Commission determines in a review that the expiry of such antidumping duties would be likely to lead to continuation or recurrence of dumping of the product under review and material injury to the domestic industry. As the Commission has determined in this sunset review that there is no likelihood of continuation or recurrence of material injury to the domestic industry due to dumped imports of OPI from the Exporting Countries, therefore, the antidumping duties imposed on dumped imports of the OPI from the Exporting Countries are terminated with effect from January 6, 2024.

(Ahmed Sheraz)  
Member-IV  
January 5 ,2024

(Imran Zia)  
Member-III  
January 5, 2024

(Muhammad Iqbal Tabish)  
Member-II  
January 5, 2024

(Naeem Anwar)  
Chairman  
January 5, 2024