

ADC No. 38/2015/NTC/CY
Government of Pakistan
National Tariff Commission

Notice of Final Determination in Anti-Dumping Investigation against Dumped Imports of Cotton Yarn 55.5 and above counts into Pakistan Originating in and/or Exported from the Republic of India.

The National Tariff Commission (the "Commission") initiated an anti-dumping investigation on August 20, 2015, under Section 23 of the Anti-Dumping Duties Ordinance, 2015 (the "Ordinance")(now enacted as Anti-Dumping Duties Act, 2015) (the "Act") after establishing that the application filed by All Pakistan Textile Mills Association (APTMA) was in accordance with Sections 20 and 24 of the Ordinance. APTMA has filed this application on the behalf of seven producers of cotton yarn which are manufacturing cotton yarn of 55.5 and above counts (the "Applicants"). The investigation concerns dumping of cotton yarn, originating in and/or exported from the Republic of India ("India") into Pakistan and material injury caused therefrom to the domestic industry producing cotton yarn of 55.5 and above counts ("Cotton Yarn"). The Commission made a preliminary determination in this case in terms of Section 37 of the Act on February 16, 2016. In accordance with the Act and the Anti-Dumping Duties Rules, 2001 (the "Rules"), the Commission has made its affirmative final determination as follows:-

Product under Investigation:- The investigated product is Cotton Yarn and above counts imported into Pakistan from India. It is classified under PCT Heading Nos. 5205.1500, 5205.2700, 5205.2800, 5205.3500, 5205.4700 and 5205.4800. Investigated product is mainly used in weaving mills for production of cotton fabrics.

Period of Investigation (POI):- For determination of dumping and injury, the POI was fixed as follows:

For determination of dumping:	From July 01, 2014 to June 30, 2015
For determination of injury:	From July 01, 2012 to June 30, 2015

Determination of Dumping: - Nineteen exporters/foreign producers, provided information in response to the questionnaire. While making preliminary determination, the Commission limited its examination to only seven exporters as the Commission was satisfied in terms of Section 14(2) of the Act that the number of the exporters involved was so large as to make it impracticable to determine an individual dumping margin of all exporters who have responded to the Commission. The Commission has calculated individual dumping margins for sampled seven exporters. Weighted average dumping margin has been calculated for other twelve cooperating exporter/foreign producer not included for detailed examination in this final determination on the basis of the weighted average dumping margins of the other seven cooperating exporters/foreign producers in terms of Section 51(3) of the Act. However, a residual dumping margin rate has been determined for all other exporters/producers from India.

Injury to the domestic industry: - Injury to the domestic industry has been analyzed in accordance of the Part VI of the Act. The Commission established a trend of material injury to the domestic industry on account of dumped imports during the POI. While the volume of dumped imports substantially increased during the year 2 of the POI as compared to year 1, it fell in year 3. Similarly, there was no price undercutting or price depression in year 3 of the POI though in early years these adverse price effects did exist. While the dumped imports of the investigated product did not adversely affect the Applicants' market share, sales, production and capacity utilization, they did adversely impact profits and profitability, inventories, and return on investment for the Applicants during the POI.

Injury Factors other than Dumped Imports:- The Commission has also examined factors other than dumped imports under Section 18(2) and Section 18 (3) of the Act, which could at the same time cause injury to the domestic industry. Analysis showed that the domestic industry did not suffer material injury due to other factors.

Imposition of Definitive Anti-dumping Duties: - In this final determination the Commission is satisfied that Cotton Yarn (PCT Heading No. 5205.1500, 5205.2700, 5205.2800, 5205.3500, 5205.4700 and 5205.4800) is imported from India at dumped prices. The Commission is of the view that the following measures are sufficient to address the injury caused by dumped imports. In order to prevent material injury, the Commission, pursuant to powers under Section 50 of the Act, has decided to impose definitive anti-dumping duty at the rates mentioned below on C&F value in ad valorem terms on imports of Cotton Yarn from India:-

Country	Exporter Name	Dumping margin as % of	
		Export price	C & F price
India	Veebee Yarnntex Private Limited	15.35	14.55
	NSL Textiles Limited	9.83	9.53
	Sree Lalitha Parameswari Spinning	14.08	13.18
	Prasuna Vamsikrishna Spinning Mills Pvt Ltd	4.97	4.84
	Mohan Spintex India Limited	12.96	12.11
	Trident Limited	12.55	12.17
	Nagreeka Exports Limited	5.77	5.64
	All other exporters cooperating;		
	i. Shreedhar Cotsyn (Pvt) Ltd.		
	ii. Prime Urban Development India		
	iii. K.A.S Industries India Pvt Ltd.		
	iv. SjlT Spinning Mills (P) Ltd.		
	v. The Priyadarsini Cooperative		
vi. SjlT Textiles Pvt Ltd.	---	10.02	
vii. Prima Products Pvt Ltd.			
viii. Vardhman Textiles Ltd.			
ix. Nahar Spinning Mills Ltd.			
x. Arun Spinning Mills (P) Ltd.			
xi. Thiagarajar Mills (P) Ltd.			
xii. Premier Mills Pvt Ltd.			
All other exporters non-cooperating	15.35	14.55	

However, such definitive measures shall remain suspended till such time the countervailing investigation against subsidized imports of the same product from India is finalized. In case the Commission decides, through final determination of countervailing investigation against the same product, that the countervailing duties are not called for, the anti-dumping duties determined herein will take effect.

Further Information: A non-confidential version of the report of final determination shall be placed on public file established and maintained by the Commission. It shall also be posted on the Commission's website: www.ntc.gov.pk.

By order of the Commission.

-sd-
(Muhammad Anwar)
Secretary
February 22, 2017