

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

Notice of Preliminary 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) after establishing that the application filed by All Pakistan Textile Mills Association (APTMA), House No. 97-A, Aziz Avenue, Canal Bank, Lahore was in accordance with Section 20 and 24 of the Ordinance. The APTMA is an association of producers of Cotton Yarn. 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. In accordance with provisions of the Anti-Dumping Duties Act, 2015 (Act) and Anti-Dumping Duties Rules, 2001 (the "Rules"), the Commission has, after investigation, determined the following on preliminary basis:

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: From July 01, 2014 to June 30, 2015

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

Exporters and Foreign Producers: The Applicants identified 60 exporters/producers involved in the dumping of cotton yarn from India, however, 20 exporters/producers responded to the Commission's request for information/data and furnished information for the purposes of this investigation.

Determination of Dumping: As identified above, 20 exporters/producers from India responded to the Commission's request for information/data and furnished information for the purposes of this investigation. However, the Commission has limited its examination to only eight exporters representing largest percentage of volume of exports (38.5%) from India as the Commission is satisfied in terms of Section 14(2) of the Act that the number of the exporters involved is so large to make it impracticable to determine an individual dumping margin of all exporters/producers who have responded to the Commission's request for information on Exporter's Questionnaire. Normal value and export price of the investigated product for those eight exporters/ producers have been determined in accordance with Sections 5, 6 and 10 (1) of the Act, respectively, on the basis of the information provided by these exporters/producers in response to the Commission's questionnaire.

Injury to the domestic industry: Injury to the domestic industry has been determined in accordance with Part VI of the Act. The Commission has on preliminary basis established that the domestic industry suffered material injury on account of increase in volume of dumped imports

relative to domestic consumption, price depression, increase in inventories, negative effect on the profitability and ability to raise capital.

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 has not suffered material injury due to others factors.

Non-Imposition of Provisional Anti-Dumping Measures: The Federal Government has imposed regulatory duty @ 10% on imports of cotton yarn falling under the HS Code 52.05 on October 30, 2015 which covers the HS Codes of investigated product. The Commission has therefore, decided not to impose provisional anti-dumping measures on imports of investigated product. The Commission however, decided to continue the investigation till final determination.

Hearing: Any party registered as an interested party in this case may, if it so wishes, request a hearing in accordance with Rule 14 of the Rules within 30 days of the publication of this notice by contacting Secretary, National Tariff Commission, State Life Building No.5, Blue Area, Islamabad. Telephone No. +92-51-9202839, Fax No.+92-51-9221205.

Final Determination: In terms of Section 39 of the Act, the Commission is required to make final determination within 180 days of publication of notice of Preliminary Determination.

Authority under Law: This notice is published pursuant to Section 37 of the Act by order of the Commission.

(Muhammad Shahid)
Secretary
February 16, 2016