

CVD No. 01/2016/NTC/CY
National Tariff Commission

Final Determination of the Investigation on Subsidised Imports of Fine Cotton Yarn and Levy of Definitive Anti-dumping Duty on Dumped Imports of Fine Cotton Yarn Originating in and/or Exported from the Republic of India to Pakistan

The National Tariff Commission (the “Commission”) initiated a countervailing investigation on April 20, 2016 under Section 11 of the Countervailing Duties Act, 2015 (the “Act”) after establishing that the application lodged by All Pakistan Textile Mills Association (“APTMA”) (the “Applicant”) on behalf of domestic industry of cotton yarn carded or combed of 55.5 and above counts (“Fine Cotton Yarn”) was in compliance with provisions of Section 11 of the Act. In accordance with the provisions of the Act and the Countervailing Duties Rules, 2002 (the “Rules”), the Commission has, after investigation, determined the following on a preliminary basis:

Investigated Product: The investigated product is fine cotton yarn carded or combed of 55.5 and above counts, originating in and/or exported from India to Pakistan. It is classified under Pakistan Customs Tariff (“PCT”) Heading Nos. 5205.1500, 5205.2700, 5205.2800, 5205.3500, 5205.4700 and 5205.4800. It is used by weaving mills for production of cotton fabrics.

Period of Investigation (“POI”):

For investigation of Subsidy: From July 1, 2014 to June 30, 2015

For investigation of injury: From July 1, 2012 to June 30, 2015

Determination of Subsidies and Amount of Subsidy: In view of the large number of Indian exporters/producers involved in this investigation and nature of the product, the Commission limited this investigation in accordance with Section 27 of the Act to three exporters/foreign producers. Individual subsidy amount/subsidy margin for these three exporters/producers has been determined on the basis of the information provided by them and by the Government of India (“GOI”) in accordance with provisions of Part III and IV of the Act. Subsidy amount/margin for other exporters/ foreign producers who cooperated and furnished information in response to the questionnaire is determined in accordance with Section 16(4) of the Act. The subsidy margins work out in the range of 3.72% to 8.71% of the C&F price.

Anti-Dumping Investigation on Fine cotton yarn Imported from India

On request of the Applicant the Commission has conducted an anti-dumping investigation on the investigated product, which was concluded on February 22, 2017 and a notice of final determination of the antidumping investigation was published in the Official Gazette and national press on February 22, 2017. The Commission had decided to impose definitive antidumping duties pursuant to the powers under Section 50 of the Anti-Dumping Duties Act, 2015 on dumped imports of Fine Cotton Yarn from India. As the investigated product and the POI for both (the anti-dumping and anti-subsidy) investigations were same, therefore, the Commission suspended imposition of antidumping duties till such time the countervailing investigation against subsidized imports of the investigated product is finalized. It was further decided by the Commission that if, through the final determination of countervailing investigation against the same product, that the countervailing duties are not called for, the anti-dumping duties determined therein will take effect.

In terms of Section 25(2) of the Act, no product shall be subject to both anti-dumping duties and countervailing duties under their respective laws for the purpose of dealing with one and the same situation arising from dumping or subsidised imports of the investigated product. Therefore, the Commission has decided not to impose countervailing duty on the investigated product. Thus, following antidumping duties imposed vide 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, which was published in the Official Gazette and national press on February 22, 2017, are made effective from October 18, 2017 for a period of five years:

	Exporter Name	Antidumping duty rate (% of C & F price)
Sampled/investigated Exporters/ Foreign Producers	Veebee Yarnntex Private Limited	14.55%
	NSL Textiles Limited	9.53%
	Sree Lalitha Parameswari Spinning	13.18%
	Prasuna Vamsikrishna Spinning Mills Pvt Ltd	4.84%
	Mohan Spintex India Limited	12.11%
	Trident Limited	12.17%
	Nagreeka Exports Limited	5.64%
Other cooperating Exporters/ Foreign Producers but not investigated	i. Shreedhar Cotsyn (Pvt) Ltd.	10.02%
	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.	
	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		14.55%

Fine Cotton Yarn imported from sources other than India shall not be subject to definitive antidumping duty. Further, in accordance with Section 51(e) of the Anti-Dumping Duties Act, 2015, definitive antidumping duties will not be levied on imports of the investigated product that are used as inputs in products destined solely for exports and are covered under any scheme exempting customs duty for exports under the Customs Act, 1969.

Definitive antidumping duties levied on import of the investigated product would be in addition to other taxes and duties leviable on its imports under any other law.

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

By order of the Commission

(Ali Muhammad Shah)
Secretary
October 18, 2017