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File No. 6/11/2019-DGTR
Government of India
Department of Commerce
(Directorate General of Trade Remedies)
New Delhi -110001

Dated: 28.06.2019

INITIATION NOTIFICATION
(Case No. O. I. - 09/2019)

Subject: Initiation of anti-dumping investigations on the imports of “Nylon Multi Filament Yarn” originating in or exported from China PR, Korea RP, Taiwan and Thailand.

F.No. 6/11/2019-DGTR: M/s Gujarat Polyfilms Limited and M/s Century Enka Limited (hereinafter referred to as the “petitioners”) have filed an application before the Designated Authority (hereinafter also referred to as the “Authority”) in accordance with 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 “Rules”) for imposition of Anti-dumping duty on imports of Nylon Multi Filament Yarn (hereinafter referred to as the “Product Under Consideration” or the “subject goods”) originating in or exported from China PR, Korea RP, Taiwan and Thailand (hereinafter referred to the “subject countries”).

A. Product Under Consideration

1. The product under consideration (PUC) in the present investigation is “Synthetic Filament Yarn of Nylon” also known as “Polyamide Yarns” or “Nylon Multi Filament Yarn”.
2. The product under consideration includes all kinds of synthetic filament yarns of Nylon or Polyamides, such as flat yarn - twisted and/or untwisted, Fully Drawn Yarn (FDY), Spin Drawn Yarn (SDY), Fully Oriented Yarn (FOY), High Oriented Yarn (HOY), Partially Oriented Yarn (POY), textured yarn – twisted and/or untwisted, and dyed yarn, single, double, multiple, folded or cabled. Nylon filament yarn is a synthetic filament yarn produced by polymerization of organic monomers. The product under consideration includes only multi-filament yarn and Mono Filament Yarns are excluded from the scope. Mother yarn, being multi-filament yarn, is also included in the scope of product under consideration
3. The subject goods are classified under customs heading 5402 under HS Codes 5402 31, 5402 32, 5402 39, 5402 45, 5402 49, 5402 51, 5402 59, 5402 61 and 5402 69. The

Customs classification is however, indicative only and is in no way binding on the scope of the present investigation.

4. The product includes all variants of Nylon Filament Yarn or Polyamide Yarns such as flat/textured/twisted/untwisted, bright/semi-dull/full-dull (or variants thereof), grey/colored/dyed (or variants thereof), single/double/ multiple/folded/cabled (or variants thereof), whether or not sized, but excludes high tenacity yarn of nylon. All man-made filament yarns not having nylon or polyamides are beyond the scope of the product under consideration.
5. The petitioners have suggested a PCN methodology based on crimped / flat yarn, partially oriented / fully drawn yarn, filaments, denier, luster and colour. However, the Designated Authority shall decide final PCNs for the purpose of fair comparison between the products produced by foreign producers and domestic industry after receipt of questionnaire response and on the basis of information and evidence provided by various interested parties during the course of investigation. The interested parties may file information and make appropriate submissions in this regard.

B. Like Article

6. The petitioners submitted that subject goods produced by the petitioner companies and the subject goods imported from the subject countries are like articles. There are no known differences in nylon filament yarn produced by the Indian industry and that exported from the subject countries. Nylon filament yarn produced by the Indian industry and imported from the subject countries are comparable in terms of characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable. The consumers are using the two interchangeably. The goods produced by the petitioners should be treated as like articles to the product under consideration imported from the subject countries.

C. Domestic Industry and Standing

7. The present petition has been filed by M/s Gujarat Polyfilms Limited and M/s Century Enka Limited, claiming that their production constitutes a major proportion in Indian production. A support letter for the petition has been submitted by M/s Prafful Overseas Pvt. Ltd. The petitioners have submitted that many of the producers in India have imported the subject goods. Production of the petitioners constitutes more than 30% in gross Indian production and about 60% after excluding such producers who are themselves importer of the alleged dumped product. The petitioners have certified that they have not imported the subject goods and are not related to any exporter or importer of the PUC in the subject countries or any importer of the PUC in India.

8. The Authority, therefore, determines that the petitioner who presently holds a “major proportion” of the total domestic production, constitutes an eligible domestic industry in terms of Rule 2 (b) and also satisfies the criteria of standing in terms of Rule 5 (3) of the Rules supra.

D. Countries Involved

9. The present investigation is in respect of alleged dumping of the product under consideration from China PR, Korea RP, Taiwan and Thailand.

E. Normal Value

10. The petitioners have claimed that China PR should be treated as a non-market economy and has determined normal value in accordance with Para 7 of Annexure – I of the Rules. The Authority has prima facie considered the normal value of the subject goods on the basis of constructed normal value. Normal value in case of Korea PR, Taiwan and Thailand has been claimed on constructed cost basis on the grounds that information with regard to price is not available in public domain. The constructed normal value has been determined considering international price of major raw material and power rates prevailing in the subject countries. The Authority has considered the same as appropriate and sufficient for the purpose of initiation.

F. Export Price

11. The petitioners have computed the export price on the basis of data published by DGCI&S. Price adjustments have been made on account of ocean freight, marine insurance, commission, bank charges, port expenses and inland freight as per the general norms.

G. Dumping Margin

12. The normal value and the export price have been compared at ex-factory level, which prima facie show significant positive dumping margin in respect of the subject goods from the subject countries. There is sufficient prima facie evidence that the normal value of the subject goods in the subject countries are higher than the ex-factory export price, indicating prima facie, that the subject goods are being dumped into the Indian market by the exporters from the subject countries.

H. Injury and Causal Link

13. Information furnished by the petitioner has been considered for assessment of injury to the domestic industry. The petitioner has furnished evidence regarding the injury having taken place as a result of the alleged dumping in the form of increased volume of dumped

imports in absolute terms and in relation to production and consumption in India, price suppression, price underselling. There is sufficient prima facie evidence of the 'injury' being suffered by the domestic industry caused by dumped imports from subject countries to justify initiation of an antidumping investigation.

I. Initiation of Anti-Dumping Investigations

14. And whereas, the Authority prima facie finds that sufficient evidence of dumping of the subject goods, originating in or exported from the subject countries; injury to the domestic industry and causal link between the alleged dumping and injury exist to justify initiation of an anti-dumping investigation, the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of Rule 5 of the Rules, to determine the existence, degree and effect of alleged dumping and to recommend the amount of antidumping duty, which if levied, would be adequate to remove the 'injury' to the domestic industry.

J. Period of Investigation (POI)

15. The petitioners have proposed a present investigation from April, 2018 to December, 2018 (9 months). However, the Authority considers it appropriate to consider a period of investigation covering 12 months from 1st April, 2018 to 31st March, 2019. The injury investigation period shall cover 2015-16, 2016-17, 2017-18 and the period of investigation.

K. Submission of Information

16. The exporters in the subject countries, their government through their Embassy in India, the importers and users in India known to be concerned and the domestic industry are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Authority at the following address:

The Director General
Directorate General of Trade Remedies,
Jeevan Tara Building, 4th Floor
5, Parliament Street, New Delhi -110001

17. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within the time limit set out below. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other parties.

L. Time Limit

18. Any information relating to the present investigation should be sent in writing so as to reach the Authority at the address mentioned above not later than forty days (40 days) from the date of publication of this Notification. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record its findings on the basis of the facts available on record in accordance with the Anti-Dumping Rules.
19. 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 and offer their comments to the domestic industry's application within forty days (40 days) from the date of publication of this Notification. The information must be submitted in hard copies as well as soft copies.

M. Submission of Information on Confidential Basis

20. The parties making any submission (including Appendices/Annexure attached thereto), before the authority including questionnaire response, are required to file the same in two separate sets, in case "confidentiality" is claimed on any part thereof.
21. The "confidential" or "non-confidential" submissions must be clearly marked as "confidential" or "non-confidential" at the top of each page. Any submission made without such marking shall be treated as non-confidential by the Authority and the Authority shall be at liberty to allow the other interested parties to inspect such submissions. Soft copies of both the versions will also be required to be submitted, along with the hard copies, in two (2) sets of each.
22. The confidential version shall contain all information which are by nature confidential and/or other information which the supplier of such information claims as confidential. 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.
23. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out (in case indexation is not feasible) and summarized depending upon the information on which confidentiality is claimed. 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, party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons why summarization is not possible, must be provided to the satisfaction of the Authority.

24. 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.
25. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim shall not be taken on record by the Authority.
26. 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.

N. Inspection of Public File

27. In terms of Rule 6(7) of the Anti-Dumping Rules, any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties.

O. Non-cooperation

28. In case where an interested party refuses access to, or otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.

A handwritten signature in blue ink, appearing to be 'SK', with the date '28-6-19' written below it.

(Sunil Kumar)
Additional Secretary & Director General