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Government of India  
MINISTRY OF COMMERCE & INDUSTRY  
DEPARTMENT OF COMMERCE  
(DIRECTORATE GENERAL OF ANTI-DUMPING & ALLIED DUTIES)

NOTIFICATION

NEW DELHI,  
Dated the 11<sup>th</sup> February 2010

FINAL FINDINGS

**Sub: Anti-Dumping (Mid-Term Review) investigation concerning imports of Nylon Filament Yarn originating in or exported from Malaysia.**

**No.15/07/2008-DGAD-** Whereas the Designated Authority, having regard to the Customs Tariff Act, 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Anti Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, initiated the original investigation vide Notification No. 14/5/2005-DGAD dated 4<sup>th</sup>, July, 2005. The Authority issued its Final findings recommending imposition of definitive Anti Dumping Duty on imports of Nylon Filament Yarn (hereinafter referred to as subject goods) originating in or exported from Malaysia (hereinafter referred as subject country), vide Notification No. 14/5/2005 – DGAD dated 3<sup>rd</sup> July, 2006 and such definitive duty was imposed by the Government of India vide Customs Notification No. 85/2006 dated 29.08.2006.

2. The Designated Authority, in terms of section 9A (5) of said Act received an application from the domestic industry namely M/s Gujarat Sate Fertilizers Company Limited, M/s Century Enka Limited and M/s. JCT Ltd., requesting for review and enhancement of the anti-dumping duties levied on the subject goods from Malaysia as the domestic industry continued to suffer injury on account of dumping by the subject country.

3. China PR, Chinese Taipei, Indonesia, Thailand and Korea RP were also subject countries in the original investigation. The petitioners, however, requested for review of anti dumping against Malaysia only. The petitioners have claimed that the circumstances have changed substantially requiring a review of anti dumping measures in force against Malaysia. The need for review has been established on the basis of significant increase in dumping margin even after the imposition of anti dumping duties. M/s Hualon Corporation (M) SDN.BHD. Malaysia (the exporter attracting individual dumping margin and anti dumping duty) has also filed an application intimating that in view of an arrangement, all their exports will be in the name of Recron (Malaysia) Sdn. Bhd. and accordingly the duties applicable to M/s Hualon may be made applicable to M/s Recron. The Designated Authority issued a Public Notice No. 15/07/2008-DGAD dated 12th August, 2008 published in the Gazette of India, Extraordinary, initiating a Midterm Review of the anti-dumping investigations to examine the claims of the petitioners.

## PROCEDURE

4. In these proceedings the procedure described below has been followed:
  - i) After initiation of the review the Authority sent questionnaires, along with the initiation notification, to the known exporters/producers in the subject country in accordance with the Rule 6(4), to elicit relevant information.
  - ii) Notices were also sent to the domestic industry in India seeking relevant information in accordance with the Rules;
  - iii) The Embassy of the subject country in New Delhi was informed about the initiation of the investigation, in accordance with the Rule 6(2), with a request to advise the exporters/producers in their country to respond to the questionnaire within the prescribed time.
  - iv) Questionnaires were sent to the known exporters and importers of the subject goods in India calling for the necessary information in accordance with the Rule 6(4),
  - v) Transaction-wise data of imports for the period of investigation and preceding three years were called from Directorate General of Commercial Intelligence and Statistics (DGCI&S) in addition to the data of IBIS provided by the domestic industry.
  - vi) Copies of the initiation notification were also sent to FICCI, CII and ASSOCHAM for wider circulation.
  - vii) The following exporter from the subject country has responded to the Designated Authority with prescribed questionnaire response:

Recron (Malaysia) Sdn. Bhd.
  - viii) No other interested parties filed their response to the initiation notification.
  - ix) The Authority verified the information furnished by the domestic industry to the extent considered relevant on the basis of Generally Accepted Accounting Principles (GAAP) to work out optimum cost of production, cost to make and sell the subject goods in India and so as to ascertain if Anti-Dumping duty lower than the dumping margin would be sufficient to remove injury to Domestic Industry;
  - x) The Authority held a public hearing on 30.11.2009 to hear the interested parties orally which was attended by representatives of interested parties. The written submissions received from interested parties have been considered in this findings;
  - xi) A verification of exporter's data and information regarding cost and sales ( both domestic as well as exports) was got carried out by the Authority in the premises of exporter, namely, Recron (Malaysia) Sdn. Bhd. A report of the said verification was forwarded to the said exporter.

xii) The Authority issued a disclosure of essential facts under rule 16 to the known interested parties and the response was received from the petitioners and from the exporter, i.e. Recron (Malaysia) Sdn. Bhd.

xiii) Investigations were carried out for the period of investigation (POI), which is 1st April 2007 to 31st March 2008 (12 months). However, injury analysis shall cover the years 2004-05, 2005-2006, 2006-2007 and POI.

xiv) The conversion rate of RM to Indian Rs. has been adopted as 1 RM=Rs.12.00 for the POI.

## **PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE**

5. The product involved in the present investigation was Synthetic Filament Yarn of Nylon also known as Polyamide Yarns (also described as Nylon Filament Yarn and also referred to as subject goods). Nylon Filament Yarn is a synthetic filament yarn produced by polymerisation of organic monomers. Nylon filament yarn has vast applications in textiles applications, which includes saree, dupatta, women's dress material / fashion wear, fancy causal knit wear, stockings and stocks, intimate wear and foundation wear, lingerie and night wear, briefs, panties, slips, kids wear, sports wear and active wear, swim wear and beach wear, outer wear, wind wear, fashion accessories, elastic tapes, show/footwear linings, laces/fancy tapes, tie/scarves, feather yarn, ribbons/satin ribbons, etc.

6. The product under consideration includes all kinds of synthetic filament yarns of Nylon or Polyamides, other than sewing thread, 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, classifiable within Chapter 54 under customs subheading no. 5402, but excludes high tenacity yarn of nylon or other polyamides. 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 classifiable under customs sub-heading 5402.10 and fishnet yarn, classifiable under customs classification no. 5402.10. Accordingly, all types of high tenacity nylon filament yarn, classifiable under customs classification no. 5402.10 are beyond the scope of present investigations. The Customs classification, however, is indicative only and is in no way binding on the scope of the present investigation.

### **Examination by the Authority**

7. None of the interested parties raised any argument regarding the product under consideration in the present review investigation. Therefore, Subject goods produced by the domestic industry and imported from Malaysia are being treated as like articles in accordance with the anti dumping Rules.

## **STANDING AND SCOPE OF THE DOMESTIC INDUSTRY**

### **Examination by the Authority**

8. In the original investigation, the application had been jointly filed by M/s. Modipon Limited, Modinagar, JCT Limited, Hoshiarpur, Shree Synthetics Limited, Ujjain and Gujarat State Fertilizers Company Limited, Vadodara. The production of these applicant companies constituted more than 50 % of total Indian production. Also, M/s Century Enka had supported the original application. The Authority had determined that (a) production of the four petitioner companies constitute a major proportion in the Indian production; (b) domestic producers expressly supporting the application account for more than 50 per cent of total production of the like product produced by the domestic industry; and (c) the application has been made by or on behalf of the domestic industry. In the present review investigation, the review application has been filed by M/s Gujarat State Fertilizers Company Limited, M/s Century Enka Limited & M/s JCT Limited substantiating the need for mid term review of the anti-dumping duty imposed on the subject goods originating in or exported from Malaysia. M/s Modipon Limited and M/s Shree Synthetics Limited are now no more in production of the subject goods. The investigation has not shown any fact to the contrary to what has been claimed and established by the petitioner. Having regard to the Rules and information on record, the Authority holds that the petitioners command the standing in terms of Rule 5(3) and constitute the domestic industry for the purpose of the present review investigation in terms of the Rule 2(b).

## **METHODOLOGY FOR CALCULATION OF DUMPING MARGIN**

### **Dumping Determination: Normal Value, Export Price and Dumping Margin**

#### **A. Normal Value**

9. M/s. Recron Malaysia (exporter) has responded to the Authority and furnished information in the form and manner prescribed. It has been stated by the company that the POI in the review case is from 1st April 07 to 31st March 08. As receivers were appointed on the erstwhile company M/s Hualon Malaysia after which the company was taken over by M/s Recron Malaysia, the accounting information is available for the period from 1<sup>st</sup> December 2007 till 31<sup>st</sup> March 08 only, based on which the exporters response has been prepared and filed. The exporter requested for the verification of the exporters response which was got carried out by the authority on 29<sup>th</sup> and 30<sup>th</sup> January 2010 at the exporter's premises in Malaysia. The Authority notes that the product type sold by the company in the domestic market is NDTY (texturized yarn) and NFDY whereas the product exported to India during the POI is NFDY and NPOY. Further, it is noted that the exports to appropriate third countries are NFDY, NPOY and NDTY. It is further noted that there is significant difference in the cost and price structure of NFDY, NPOY and NDTY. While NPOY and NFDY are made from caprolactum, NDTY is produced from NPOY. The additional process of texturizing makes a substantial difference in the cost and price of NDTY. Therefore, the Authority, for the purpose of fair comparison, proposes to consider the cost and price of NPOY and NFDY exported to India for the purpose of determination of normal value.

10. The verification of exporter's information reveals that the weighted average domestic selling price of NFDY as well as the same of export to appropriate third countries do not

pass the OCT (ordinary course of trade) test, as laid down under the rules.. Further, it is noted that NPOY has not been sold in the home market by the exporter during the POI and the volume of domestic sale of NFDY is less than 20% of volume sold, whereby home market sales of NFDY do not pass the sufficiency test, as laid down in the rules. Therefore, the Authority disregards these sales and proposes to construct the normal value on the basis of cost of production data furnished by the exporter and verified by the Authority plus a reasonable profit margin of 5%. The Normal value, worked out for grades exported to India is as under:-

Grades	Normal value(RM/kg)
NFDY170D24FSD	***
NFDY280D14FSD	***
NFDY30D10FFD	***
NFDY30D24FFD	***
NFDY30D36FFD	***
NFDY40D10 FSD	***
NPOY(COL)39D13FBK	***
NPOY(COL)55D13FBK	***
NPOY(COL)90D24FBK	***
NPOY120D24FSD	***
NPOY 39D13FSD	***
NPOY55D13FSD	***
NPOY85D24FSD	***
Weighted average	***

#### B. Export price

11. The Authority notes that the company has exported \*\*\* MT of product concerned to India in the investigation period out of which \*\*\* MT pertains to NFDY, \*\*\*MT pertains to NPOY and \*\*\*MT pertains to NPOY (COL). The adjustments have been claimed on account of commission, overseas freight and others such as inland freight, THC, insurance etc., ere duly verified during the spot visit by the authority and are allowed. Accordingly, per unit weighted average export price at ex-factory level is worked out grade-wise as under:-

Grades	EP RM/KG(ex-factory)
NFDY170D24FSD	***
NFDY280D14FSD	***
NFDY30D10FFD	***
NFDY30D24FFD	***

NFDY30D36FFD	***
NFDY40D10 FSD	***
NPOY(COL)39D13FBK	***
NPOY(COL)55D13FBK	***
NPOY(COL)90D24FBK	***
NPOY120D24FSD	***
NPOY 39D13FSD	***
NPOY55D13FSD	***
NPOY85D24FSD	***
Weighted Average	***

The Net Export Price in respect of residual category is based on lowest representative CIF price of the product.

### C. Dumping Margin

12. Based on comparison of the normal value and export price as proposed above, the Authority proposes to determine the dumping margin for M/s Recron, Malaysia (both producer and exporter) as under:

Grades	DM(RM/kg)	DM(%)
NFDY170D24FSD	***	10.96
NFDY280D14FSD	***	-1.56
NFDY30D10FFD	***	8.41
NFDY30D24FFD	***	11.69
NFDY30D36FFD	***	10.41
NFDY40D10 FSD	***	4.39
NPOY(COL)39D13FBK	***	22.64
NPOY(COL)55D13FBK	***	11.01
NPOY(COL)90D24FBK	***	16.54
NPOY120D24FSD	***	13.82
NPOY 39D13FSD	***	6.31
NPOY55D13FSD	***	9.65
NPOY85D24FSD	***	12.78
Weighted Average	***	11.60

### INJURY DETERMINATION

13. The Authority notes that for mid term review, the relevant provisions are Section 9(A)(5) of the Customs Tariff Act and Rule 23, which provides as follows -

*“The anti-dumping duty imposed under this section shall, unless revoked earlier, cease to have effect on the expiry of five years from the date of such imposition:*

*Provided that if the Central Government, in a review, is of the opinion that the cessation of such duty is likely to lead to continuation or recurrence of dumping and injury, it may, from time to time, extend the period of such imposition for a further period of five years and such further period shall commence from the date of order of such extension.”*

**Rule 23. Review.** - (1) The designated authority shall, from time to time, review the need for the continued imposition of the anti-dumping duty and shall, if it is satisfied on the basis of information received by it that there is no justification for the continued imposition of such duty recommend to the Central Government for its withdrawal.

(2) Any review initiated under sub-rule (1) shall be concluded within a period not exceeding twelve months from the date of initiation of such review.

(3) The provisions of rules 6, 7, 8, 9, 10, 11, 16, 17, 18, 19, and 20 shall be *mutatis mutandis* applicable in the case of review.

14. Rule 23 of the Anti-dumping Rules provide for procedure for conducting interim reviews. For conducting the review, the provisions of Rule 6, 7, 8, 9, 10, 11, 16, 17, 18, 19 and 20 have been made applicable. The Authority notes that as per Rules, present state of injury and thereafter likelihood is to be assessed in such reviews.

15. In this regard, the Rules provide for an objective examination of both, (a) the volume of dumped imports and the effect of the dumped imports on prices in the domestic market for the like products; and (b) the consequent impact of these imports on domestic producers of such products. With regard to the volume effect of the dumped imports, the Authority is required to examine whether there has been a significant increase in dumped imports, either in absolute term or relative to production or consumption in India. With regard to the price effect of the dumped imports, the Authority is required to examine whether there has been significant price undercutting by the dumped imports as compared to the price of the like product in India, or whether the effect of such imports is otherwise to depress prices to a significant degree, or prevent price increases, which would have otherwise occurred to a significant degree.

16. For the purpose of assessing present state of injury, the Authority has examined the volume and price effects of the dumped imports of the subject goods on the domestic industry and its effect on the prices and profitability to examine the existence of injury and causal links between the dumping and injury, if any.

(A) VOLUME EFFECT: Volume effect of dumped imports and the impact on domestic industry:

17. The effects of volume of dumped imports from subject country have been examined as follows:

**Import volumes and market share of the subject country:**

Particulars	Unit	2004-05	2005-06	2006-07	2007-08
<b>Market share in Imports</b>					
Malaysia	MT	29	31	155	1120
Other Countries	MT	2985	2424	1288	3633
Total Imports	MT	3015	2455	1443	4752
<b>Market share in Imports</b>					
Malaysia	%	0.98	1.26	10.74	23.56
Other Countries	%	99.02	98.74	89.26	76.44

18. With regard to the volume of the dumped imports, the Authority is required to consider whether there has been a significant increase in dumped imports, either in absolute terms or relative to the production or consumption in India.

19. The Authority has examined the volume of imports of the subject goods from the subject country and other countries on the basis of import data as per DGCI&S.

20. The above data indicates that the total imports of the subject goods and particularly the imports from the subject country have increased substantially during the injury period due to absorption of anti-dumping duties. The price at which material is imported into India from Malaysia is significantly lower than the prices of the domestic industry. The share of imports from the subject country increased from 0.98% in the base year to about 23.56% of the total imports during the POI.

**Demand, Production and Market Shares**

Particulars	Unit	2004-05	2005-06	2006-07	2007-08
Demand	MT.	33,949	35,819	32,266	32,639
Domestic Industry	MT.	23669	29062	25780	26340
Sale of other Indian producers	MT.	7266	4302	5043	1546
Imports – subject country	MT.	29	31	155	1,120
Imports – other countries	MT	2,985	2,424	1,288	3,633
<b>Market Share in demand</b>					
Domestic Industry	%	69.72	81.14	79.90	80.70
Other Indian Producers	%	21.40	12.01	15.63	4.74
Indian Industry	%	91.12%	93.15%	95.53%	85.44%
Imports – subject country	%	0.09%	0.09%	0.48%	3.43%

Imports – other countries	%	8.79%	6.77%	3.99%	11.13%
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21. The Authority notes that the demand of the subject goods has marginally decreased in POI as compared to base year. However, it is noted that the share of imports from subject country has increased from 0.09% in base year to 3.43% in the POI in spite of imposition of anti dumping duties.

### **Capacity, Production and Capacity Utilization of the Domestic Industry**

Particulars	Unit	2004-05	2005-06	2006-07	2007-08
Capacity	MT	26,697	35,099	33,753	31,436
Production	MT	24,761	30,490	27,818	27,067
Capacity Utilization	%	93	87	82	86

22. The production of the domestic industry has increased in the absolute terms. Capacity utilization has gone down during POI as compared to base year despite increase in production.

### **Sales of Domestic Industry**

<b>Particulars</b>	<b>Unit</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>
Domestic sales	MT	23,669	29,062	25,780	26,340

23. The above data shows that sales volume of the domestic industry has increased in comparison to the base year. However, the domestic industry has to restrict its legitimate price increase to retain its sales and market share. Due to the low priced imports from the subject country, domestic industry has to sell its goods at low prices.

### **(B) Price Effect of the Dumped imports on the Domestic Industry**

24. The impact on the prices of the domestic industry on account of imports from the subject country have been examined with reference to the price undercutting, price underselling, price suppression and price depression, if any. For the purpose of this analysis the cost of production, net sales realization (NSR) and the non-injurious price (NIP) of the domestic industry have been compared with the landed value of imports from the subject country.

25. A comparison for the subject goods during the period of investigation was made between the landed value of dumped imports and the domestic selling price in the domestic market. In determining the net sales realization of the domestic industry, taxes, the rebates, discounts and commission offered by the domestic industry have been adjusted.

26. The price underselling is an important indicator of assessment of injury; thus, the Authority has worked out a non-injurious price and compared the same with the landed

value to arrive at the extent of price underselling. The non-injurious price has been evaluated for the domestic industry by appropriately considering the cost of production for the product under consideration during the POI.

27. It is found that (a) landed price of imports are significantly below the selling price of the domestic industry, thus resulting in price undercutting; (b) the selling price of the domestic industry are substantially below the non-injurious price of the domestic industry, thus resulting in price underselling, (c) whereas cost of production increased over the injury period, the selling prices did not increase in the same proportion. The imports were therefore suppressing the prices of the domestic industry in the market.

### C. Examination of other Injury Parameters

28. After having examined the effect of dumped imports on the volumes and prices of the domestic industry and major injury indicators like volume and value of imports, capacity, output, capacity utilization and sales of the domestic industry as well as demand pattern with market shares of various segments in the earlier section, other economic parameters which could indicate existence of injury to the domestic industry have been analyzed hereunder as follows:

#### Profits and Actual and Potential Effects on Cash Flow

Particulars	Unit	2004-05	2005-06	2006-07	2007-08
Profitability					
Cost of Production	Rs./KG	***	***	***	***
Trend	Indexed	100	110	114	116
Selling Price	Rs./KG	***	***	***	***
Trend	Indexed	100	104	108	112
Profit/Loss	Rs./KG	(***)	(***)	(***)	(***)
Trend	Indexed	(100)	(1200)	(1100)	(900)
Profit/Loss (PBIT)	Rs. Lacs	***	(***)	(***)	(***)
Trend	Indexed	100	(876)	(719)	(445)
Cash Profit	Rs. Lacs	(***)	(***)	(***)	(***)
Trend	Indexed	(100)	(1470)	(1172)	(1062)

29. The profitability of the domestic industry has been analyzed as per records maintained by the domestic industry. The data shows that the profitability of the domestic industry became adverse during POI as compared to base year. In fact, the domestic industry suffered financial losses throughout injury period except in base year where it broke even, in spite of the existing anti dumping duties.

## Employment and Wages

Particulars	Unit	2004-05	2005-06	2006-07	2007-08
Employees	Nos.	***	***	***	***
Trend	Indexed	100	99	97	93
Wages	Rs Lacs	***	***	***	***
Trend	Indexed	100	111	116	121

30. Number of employees actually declined to \*\*\* as compared to \*\*\* in the base year. This decline in number of employees over the injury period, however does not appear to be significant.

## Productivity

Particulars	Unit	2004-05	2005-06	2006-07	2007-08
Productivity per employee	MT/No	***	***	***	***
Trend	Indexed	100	130	120	120

31. The Authority notes that the productivity calculated as production per employee has improved by 20% in POI as compared to base year.

## Inventories

Particulars	Unit	2004-05	2005-06	2006-07	2007-08
Average Inventories	MT	***	***	***	***
Trend	Indexed	100	124	171	185

32. The data on inventory shows that average inventory has significantly increased in POI as compared to base year.

## Return on Investment and Ability to Raise Capital

Particulars	Unit	2004-05	2005-06	2006-07	2007-08
Return on Capital Employed	%	***	(***)	(***)	(***)
Trend	Indexed	100	(921)	(704)	(428)

33. The Authority notes that the return on capital employed became adverse during POI as compared to base year.

## **Price Undercutting**

Particulars	Unit	2004-05	2005-06	2006-07	2007-08
Imports quantity	MT	***	***	***	***
Imports value	Rs Lacs	***	***	***	***
CIF Export Price	Rs./KG	***	***	***	***
Landed Price of Imports	Rs./KG	***	***	***	***
Selling Price	Rs./KG	***	***	***	***
Trend	Indexed	100	104	108	112
Price Undercutting	Rs./KG	***	***	***	***
Price Undercutting	%	***	***	***	***
Range	%	30-40	10-20	10-20	20-30

34. There is significant price undercutting during the injury period as seen from the table mentioned above.

### **Factors affecting prices**

35. Evaluation of export prices from subject country shows that the prices in POI increased from the base year. The landed value of the subject goods increased from base year to POI but declined in comparison to 2005-06 and 2006-07.

### **Growth**

36. The Authority notes that there is a positive growth in sales volumes and production. However, growth in profit/loss, return on investment and cash flow continued to be adverse in spite of imposition of Anti Dumping duties.

### **Others known factors**

37. Having examined the existence of injury and volume and price effects of dumped imports on the prices of the domestic industry, in terms of its price undercutting, price suppression and price depression effects, other indicative parameters listed under the Indian Rules and Agreement on Anti Dumping have been examined to see whether there are any other factors other than the dumped imports that could have contributed to injury to the domestic industry. Accordingly, the following parameters have been examined:

### **Volume and prices of imports from other sources**

38. It is seen that Imports from other countries are de-minimus and import prices from other countries are higher than the import prices from the subject country. Thus, imports from the other countries have not contributed to the injury to the domestic industry.

### **Contraction in demand and / or change in pattern of consumption**

39. Demand of the product under consideration has marginally decreased during POI as compared to base year. However, the dumped imports have resulted in increase in market share of the imports of the subject goods from the subject country. Therefore, contraction in demand is not a factor for injury.

### **Trade restrictive practices of and competition between the foreign and domestic producers**

40. The subject goods are freely importable and there are no trade restrictive practices in the domestic market. This factor could not be reason affecting the performance of the domestic industry.

### **Development of technology and export performance**

41. No interested party has cited technology for production of the product for domestic industry vis a vis the same used by the producers in the subject country is a factor affecting the performance of the domestic industry.

42. The domestic industry has some export activities. The export sales have increased in POI as compared to base year. However, for determination of injury only domestic sales have been taken into consideration. The export performance, therefore, is not considered a factor affecting the performance of the domestic industry.

### **Magnitude of Injury- determination of injury margin**

43. The Non-Injurious Price determined by the Authority has been compared with the landed value of imports from the subject country for determination of injury margin. The injury margin is worked out as under:-

Producer and exporter	Injury Margin
Recron (Malaysia) Sdn. Bhd. (both producer and exporter)	***

### **Indian Industry's Interest & Other Issues**

44. The Authority notes that the purpose of anti-dumping duties, in general, is to eliminate injury caused to the Domestic Industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country. Imposition of anti-dumping measures would not restrict

imports from the subject country in any way, and, therefore, would not affect the availability of the products to the consumers.

45. In response to disclosure, domestic industry has stated that though grade wise dumping margin has been given, the domestic producers are unable to understand average dumping margin determined. Further they have stated that the determination of injury and causal link in this case is unnecessary as the petition filed by the domestic industry was restricted to determination of dumping margin in respect of Malaysia. The exporter has responded to the disclosure stating that the points raised by them during the investigation are considered. The Authority notes that the weighted average margin has been provided at para 12 which cover the range of individual grades. Further as the authority is to recommend duty based on lesser duty rule, determination of injury margin and other analysis have been carried out. The Authority notes that the points raised by exporters during the investigation have been duly considered in these findings.

### Conclusions

46. The Authority has, after considering the foregoing, come to the conclusion that:

- a. The subject goods have been exported to India from the subject country below its normal value;
- b. The domestic industry has suffered material injury;
- c. The injury has been caused by the dumped imports from subject country.

### Recommendations

47. In view of the above, the Authority considers it necessary to recommend definitive anti-dumping duty on imports of subject goods from the subject country in the form and manner described hereunder.

48. Having regard to the lesser duty rule followed by the authority, the Authority recommends imposition of anti-dumping duty equal to the lesser of margin of dumping and margin of injury, so as to remove the injury to the domestic industry. Accordingly, antidumping duty equal to the amount indicated in Col 9 of the table below is recommended to be imposed from the date of this notification, on all imports of subject goods originating in or exported from the subject country.

### Duty Table

S N	Tariff Head	Description of Goods	Specification	Country of Origin	Country of Export	Producer	Exporter	Duty Amount (Rs./kg)
1	2	3	4	5	6	7	8	9
1	54	*Nylon Filament Yam	Synthetic filament yarn including synthetic monofilament of less than 67 decitex, of nylon or other polyamides, excluding all high tenacity yarn of nylon including fishnet yarn of nylon	Malaysia	Malaysia	Recron (Malaysia) Sdn. Bhd.	Recron (Malaysia) Sdn. Bhd.	13.80

2	54	*Nylon Filament Yam	Synthetic filament yarn including synthetic monofilament of less than 67 decitex, of nylon or other polyamides, excluding all high tenacity yarn of nylon including fishnet yarn of nylon	Malaysia	Malaysia	Any combination of producer and exporter	other of and	24.24
3	54	*Nylon Filament Yam	Synthetic filament yarn including synthetic monofilament of less than 67 decitex, of nylon or other polyamides, excluding all high tenacity yarn of nylon including fishnet yarn of nylon	Malaysia	Any other than China PR, Chinese Taipei, Indonesia, Thailand and Korea RP.	Any	Any	24.24
4	54	*Nylon Filament Yam	Synthetic filament yarn including synthetic monofilament of less than 67 decitex, of nylon or other polyamides, excluding all high tenacity yarn of nylon including fishnet yarn of nylon	Any other than China PR, Chinese Taipei, Indonesia, Thailand and Korea RP.	Malaysia	Any	Any	24.24

\*Provided that no anti dumping duty shall be payable if the landed value of Nylon flame retardant yarn, Nylon air texturised yarn, Nylon 66 and Nylon 11 yarn, Nylon 170/24 and 280/14 denier yarn used for hook and loop tape fasteners, nylon 6 monofilament and UV treated yarn, is higher than Rs. Rs.204.57 per kg.

49. Landed value of imports for the purpose shall be the assessable value as determined by Customs under the Customs Act, 1962 and all duties of customs except duties levied under Sections 3, 3A, 8B, 9 and 9A of the Customs Tariff Act, 1975.

50. An appeal against the findings after its acceptance by the Central Government shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the Customs Tariff Act, 1975 as amended in 1995 and Customs Tariff Rules, 1995.

**(P.K. Chaudhery)**  
**Designated Authority**