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No.14/20/2008-DGAD
GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
DIRECTORATE GENERAL OF ANTI-DUMPING & ALLIED DUTIES
UDYOG BHAVAN

NOTIFICATION

Final Findings

(Sunset Review)

New Delhi, 31st March, 2009

Subject: Anti-Dumping (Sunset Review) investigations concerning imports of Nylon Tyre Cord Fabric originating in or exported from China PR.

No.14/20/2008-DGAD - Having regard to the Customs Tariff Act, 1975, (hereinafter referred to as Act.) 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 (hereinafter referred to as Rules.);

A.BACKGROUND and PROCEDURE

1. Whereas, 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, the Designated Authority (herein after referred to as Authority) recommended imposition of Anti Dumping Duty on imports of Nylon Tyre Cord Fabric (hereinafter referred to as subject goods) originating in or exported from China PR (hereinafter referred to as subject country). The preliminary findings and final findings of the Authority were published vide notifications dated 30th June 2004 and dated 9th March 2005 respectively. On the basis of findings, provisional duty and definitive anti dumping duties on the subject goods imported from subject countries were imposed by the Department of Revenue vide notifications No. 72/2004-Cus. dated 26.07.2004 and notification No. 36/2005 Cus. dated 27.04.2005 respectively.

2. The Designated Authority, in terms of section 9A (5) of said Act. received a substantiated application from Association of Synthetic Fibre Industry, New Delhi requesting for review and continuation with enhancement of the anti-dumping duties levied on the subject goods, for another five years on the grounds that the dumping had continued in spite of imposition of anti-dumping duty on imports of subject goods from China PR and the domestic industry continued to suffer injury on account of dumping by the subject country. It was also claimed that expiry of measure against the subject country would be likely to result in continuation or recurrence of dumping and injury to the domestic industry. The Designated Authority issued a Public Notice No. No.14/20/2008-DGAD dated 16.09.2008, published in the Gazette of India, Extraordinary, initiating anti-dumping (Sunset Review) investigations, to examine whether the expiry of anti dumping duty would lead to continuation or recurrence of dumping, injury or both.

3. In the 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 China PR in New Delhi was informed about the initiation of the investigation, in accordance with 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 importers and consumers of subject goods in India calling for necessary information in accordance with 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) and has also been used in this investigation;

vi) Copies of the initiation notification were also sent to FICCI, CII and ASSOCHAM for wider circulation.

vii) M/s. Ningbo Nylon Company Limited, China PR responded to the initiation notification and provided the information. The information provided by the exporter to the extent relevant has been relied upon in this findings.

viii) SRF Limited and Century Enka Limited, being constituents of domestic industry, submitted the information/data. The Authority examined the information furnished by the domestic industry to the extent considered relevant on the basis of Generally Accepted Accounting Principles (GAAP) to examine the injury suffered, 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;

ix) The Authority held a public hearing on 22.1.2009 to hear the interested parties orally, which was attended by representatives of interested parties including Government of China PR. The interested parties were asked to file written submissions by date 03.02.2009 and rejoinder thereafter on 10.02.2009. The written submissions and rejoinders received from interested parties to the extent considered relevant have been considered by the authority;

x) The Authority made available the public file as per Rule 6(7) to all interested parties containing non-confidential version of all evidence submitted by various interested parties for inspection, upon request.

xi) The views expressed by various interested parties in response to the initiation notification and subsequent to the public hearing have been discussed in the relevant paragraphs to the extent these are relevant as per rules and have a bearing upon the case.

xii) In accordance with Rule 16 of the Rules supra, the essential facts/basis considered for the findings have been disclosed to known interested parties and comments received on the same have been considered in Final Findings.

xiii) Investigations were carried out for the period of investigation (POI) from 1.4.2007 to 31.3.2008. However, injury analysis have been carried out for the years 2004-05, 2005-06, 2006-07 and the period of investigation.

B PRODUCT UNDER CONSIDERATION

4. The product under consideration in the present case is Nylon Tyre Cord Fabric (NTCF) originating in or exported from Peoples Republic of China. The subject good is a fabric of nylon, meant largely for tyre cord. NTCF finds application in different kinds of automotive tyres such as bus & truck tyres, two wheeler tyres, cycle tyres, Light commercial Vehicles tyres, Animals Driven vehicles etc.

5. Nylon Tyre Cord fabric is produced using different deniers of yarn. The fabric is used for reinforcement of tyres. The product is sold as " Grey fabric " and also "Dipped fabric". These are only different forms of the product under consideration. The Indian Tyre Industry is buying both grey and dipped fabric. All types of NTCF are within the scope of the product under consideration and are classified under Chapter 59, Custom subheading no. 5902.10.00 of the Customs Tariff Act. The classification is however indicative only and in no way binding on the scope of the present investigations. This being sunset review of original investigation, therefore there is no change scope of product under consideration.

C.1 Views of the Domestic Industry

6. The Association of Synthetic Fibre Industries (ASFII) New Delhi has filed the application on behalf of M/s SRF Limited, Chennai and Century Enka Limited Pune. Authority notes that there were two more producer in the original investigation namely Nirlon Limited and NRC Limited. These producers have suspended production of product concern and are no more producer of product concern.

The applicant account for 100% of Indian production and constitute domestic industry within the meaning of the Rules.

C.2 View of the Interested Parties

7. The domestic industry made following submissions-

(a) Present case is a fit case for imposition of provisional anti dumping duty. Exporters from China have reduced export price to unprecedented levels, which has forced the domestic industry to resort to unprecedented production cuts.

(b) The Indian consumers have increased their purchases from China in a situation where the demand in the market has declined. Resultantly, both the Indian Producers are now faced with total lack of orders and are faced with unprecedented production cuts.

(c) The present situation is being faced by the Indian Producers in such a market where the Indian demand for the product under consideration is sufficient enough to keep Indian Producers 100% occupied with orders so that they can run their plants at 100% of the capacities. Therefore, provisional anti dumping duty should be imposed immediately.

(d) There is no prohibition in the rules regarding imposition of provisional anti dumping duty. Further, rule 12 clearly states that the Designated Authority shall, in appropriate cases, record a preliminary finding. Present case is a fit case for imposition of provisional duty as the duty imposed is not sufficient.

(e) Designated Authority is separately conducting investigations in respect of dumped imports from Belarus. It is requested that the preliminary findings against Belarus may kindly be expedited to provide interim relief to the domestic industry.

(f) Domestic industry submits that the exporter from China in general have absorbed the duty, which resulted into continued injury to the domestic industry.

(g) Fact of absorption of duty has been confirmed from the investigation conducted by the Designated Authority in the matter concerning New shipper review investigation – M/s. Junma Tyre Cord Company Limited also. Even when M/s. Junma Tyre Cord Company Limited was attracting residual quantum of anti dumping duty, the dumping margin in respect of their exports was found significantly higher in a situation where the exporter had requested for a new shipper review.

C.3 Views of M/S Ningo Nylon Company limited and ATMA

8. M/s Ningo Nylon Company Limited and ATMA have made following submissions-

(a) The current investigation has been initiated by the Designated Authority as a sunset review investigation, product under consideration has already been settled in the original investigation. We do not have any

dispute as regards the definition and scope of the product under consideration and like article.

(b) Petition filed by the domestic industry has failed to provide sufficient and accurate data to substantiate the injury to the domestic industry. Many of the non confidential data has been claimed as confidential and proper indexation has not been done.

(c) Opening and closing inventory of the product are not confidential data, same has been claimed as confidential.

(d) No indexed information relating to cost and prices have been provided.

(e) Indexation does not provide any meaningful interpretation to enable the other interested parties to offer any meaningful comments.

(f) Basis of data substantiating various injury parameters are grossly inaccurate and has vitiated the very basic spirit of the investigation.

(g) Domestic industry has misguided the Designated Authority with inaccurate and fraudulent data.

(h) Table enclosed shows the discrepancies in the data submitted in Proforma IV A, which shows how erroneous and manipulated data have been submitted to the Designated Authority.

(i) Paperbook circulated by the domestic industry in oral hearing shows that market share of China has very slight variations, remained more or less stable, for many years, on the other hand, the share of

(j) Individual extracts of transaction wise data are misleading.

(k) Domestic industry has claimed a total capacity of 61789 MT in the petition for POI, corresponding capacities during the preceding three years were 51008, 45289 and 44650 MT respectively registering a growth of 38% as compared to base year. However, capacities as per the annual report of the domestic industry is 68000 MT.

(l) Production data of SRF considered seems to be understated in the annual report. IF compared with sales and inventory position, production in the annual report has been understated atleast by 10916 MT.

(m) Understatement of production quantities has resulted into inflated cost of production and NIP, which in turn resulted into decrease in profitability and cash flow. It also has negative impact upon productivity per employee, capacity utilization, capital employed.

(n) Volume of sales as provided in SRF annual report was 48248 MT in POI and 52468 MT in 2006-07, which is more by 10916 MT than disclosed. It is not understood wherefrom this additional quantities have been received.

(o) In this situation, two possibilities emerge, (1) this additional quantities, might have been produced by the company but understated in the annual report, (2) the company has sourced it from imports.

(p) The whole injury parameters claimed are distorted and needs to be rejected.

(q) The difference in Caprolactum price in SRF and Century Enka indicate that SRF may not have adjusted the VAT/MODVET and this needs to be adjusted.

(r) ROCE 22% has no proper basis save perhaps for certain branded pharmaceuticals and certainly none in era of a global slowdown and out to have reduced. EU/EC rarely provides for 8% return.

(s) There is no case made out for either enhancement of AD duty nor due to the defects in the data pointed out any case on the provisional duty to be recommended.

(t) Imports compete two different market segments and should be separately accessed (1) Duty paid and (2) Duty exempted.

(u) Duty exempted imports do not attracts any duty, the authority should not consider those imports.

(v) This is incompatible with both the ADA and Indian Rules to impose provisional Anti Dumping Duty in review case. Rule 23 does not includes any provisional duty measure.

(w) The current duty in force are nothing but provisional duty in case of SSR investigation. Therefore, the domestic industry have to wait for the

final finding. Provisional duty in review cases is unprecedented anywhere.

(x) If review had all powers of original investigations all issues could be re-opened and no issue would be deemed to be closed after original investigation.

(y) Domestic industry has not made any case for enhancement of anti dumping duty.

C.4 EXAMINATION BY THE AUTHORITY

9. The arguments raised by various interested parties have been appropriately dealt in the findings. After the disclosure statement, it has been reiterated that difference in data of capacity, production and sales etc. in the annual report of SRF and data submitted by domestic industry were not dealt with in the disclosure statement. In this regard, it has been noted that in the annual reports of the SRF, data relating to capacity, production and sales etc. relate to product under consideration i.e. NTCF and other products including industrial yarn and belting fabric. The injury analysis, however, has been done for the product under consideration only by segregating the relevant data. It has also been noted that the information available in the cost audit reports of the companies concerned have been relied upon for verification of the data submitted by the domestic industry.

D METHODOLOGY FOR CALCULATION OF DUMPING MARGIN

D.1 Submissions by the domestic industry

10. The Domestic Industry has made following submissions-

a. There is no dispute with regard to legal and operational structure of the responding Chinese company. The Authority has already passed judicious decision, which has been upheld by the Tribunal. Such being the case, there is no necessity on the part of the Designated Authority to revisit market economy status of the responding exporter. Petitioners refer to and rely upon the decision of the Designated Authority in the matter of vitrified tiles case.

b. Onus to prove the market economy status of the company and its entitlement for market economy treatment is not on Designated Authority or domestic industry but on the concerned company.

c. Petitioners submit that the interested parties seem to have ill-conceived belief that the onus of proving the non-market economy treatment for a company is on the domestic industry or Designated Authority, which is legally untenable.

d. The Chinese producers shall be treated as companies operating in a non-market economy country.

e. The companies in such a country can satisfy the Designated Authority that they are not operating under non-market economy country.

f. CESTAT in its decision also held that the onus on the part of the appellant-exporter to establish by sufficient evidence that there was no State interference.

g. It is misconceived that the obligation to establish a company as a non-market economy company is on the Designated Authority. The obligation is clearly on the interested party seeking such a treatment.

h. It is claimed by the responding exporter that Authority need not examine status of the companies prior to five years from the period of investigation. It is submitted that claim of the exporter itself is an acceptance that the determination of the Designated Authority in the original investigation was correct.

i. It is further submitted that the claim of the exporter is untenable under the Rules. Kind attention of the Designated Authority is requested to Para 8 of Annexure I of the rules, wherein there is no reference of any such period. In fact, rule clearly states that while determining about market economy status of a company, Designated Authority shall consider that whether the production costs and financial situation of such firms are subject to significant distortions carried over from the former non-market economy system.

j. Therefore, once the Designated Authority has determined that the company is not eligible for market economy treatment, the company can not become eligible for MET treatment for any subsequent investigations and reviews. Such being the situation, Authority need not to visit the issue again and should continue with its previous decision, which was upheld by the CESTAT also.

k. Domestic industry submits that imports from China have increased in spite of imposition of duty, which itself establish that the exporters have intensified dumping in the Indian market. Increase in imports has resulted in increase in market share of China in Demand of the product in India. Market share of

imports from China have increased from insignificant levels in 1999-00 to very significant level (more than 30%) in Dec 2008. As a direct consequence, market share of domestic industry declined significantly in Dec 2008.

l. It is evident from the above that prices from China have declined very significantly and difference in price from China PR and other countries is at its highest level in the last 10 years.

m. Only one Chinese company responded in the current investigation – all others should be treated non-cooperative

n. In the present investigation, Designated Authority has sent questionnaire to all known producers and exporters from China PR, However, only one exporter/producer has responded to the Designated Authority. Even M/s. Junma Tyre Cord Company Limited, who had filed new shipper application, has not responded, which confirms the contention of the domestic industry also. Domestic industry submits that all other producers should be treated as non-cooperative and residual duty should be imposed.

o. None of the Chinese companies are entitled to MET, no fresh evidence on MET has been provided by the responding exporter. There is no change in the legal and operational structure of the responding exporter

p. None of the Chinese producers of NTCF are eligible for market economy treatment, which is evident from the non-cooperation largely by exporters and producers from China PR. Ningo is also not eligible for market economy treatment as has been determined by the Designated Authority in the original investigation and the decision of the Designated Authority has been upheld by CESTAT also. Ningo has not provided any fresh evidence to the Designated Authority, in fact, new facts are disclosed, which were suppressed by the company in the original investigation. In the original investigation, CESTAT has held that the company did not file separate complete response of import export company and group company, therefore, Designated Authority was not in a position to investigate the matter.

q. Significant capacity in China in excess of present and potential demand.

r. There are 46 producers of NTCF in China PR having combined capacity of 505,900 MT. As against this, domestic demand is just 1,40,000 MT, which is significantly less than existing capacities. It is claimed by the responding exporter that out of four plants, two have been closed. Domestic industry submits that (a) capacity and demand in China is to be seen with reference to

country as a whole and not with reference to the producer, (b) plant closure only implies intensified dumping in the event of revocation of anti dumping duty. Plant has been closed for lack of demand. Representative of Government of China was present in the oral hearing and did not refute our submissions of significant excess capacity.

s. Out of 46 producers, only one producer responded to the Designated Authority. As submitted earlier, the responding producer/exporter is not eligible for market economy treatment. Domestic industry wish is not reiterating its detailed submissions made during the original investigation, same should be treated as integral part of the present submissions.

t. The decision of the Designated Authority has been challenged by the opposing parties. alongwith various issues, issue relating to determination of market economy treatment by the Designated Authority was challenged by the opposing parties. This matter was heard before Hon'ble Court.

u. The exporter has to satisfy 15 conditions prescribed under the Rules. Even if anyone of these conditions is not satisfied, the exporter cannot be granted MES. Petitioners here submit that out of the 15 conditions provided under the Rules, the exporter's claim on MES should fail, even if one of the 15 parameters is not satisfied. It would be relevant to refer here that the injury Rules provides for 15 parameters and material injury to the domestic industry may exist even if one single parameter is satisfied. However, with regard to MES, the claim must be rejected even if only one condition is not satisfied.

v. Petitioners refer to the cases decided by the EC. Petitioners submit that there are numerous other cases against Chinese exporters as also other non market economy countries wherein the EC has rejected claims of MES only because one out of 15 conditions was not satisfied.

w. It is submitted that EC has not granted MES even if one of the several parameters is not satisfied. Petitioner submits that the following facts concerning the exporter would establish that the exporter couldn't be granted MES.

x. Further, the company has not come before the Designated Authority with clean hands. It is stated in the response filed that Company has a subsidiary named as Huan'an Nylon Chemical Fibre Co. Limited (Jiangsu), name of which was not disclosed to the Designated Authority in original investigation. In fact, this issue has been raised by the domestic industry in the oral hearing of original investigation also, which was never admitted buy the exporter. Even in

this investigation, no information or response is filed by Huan'an Nylon Chemical Fibre Co. Limited (Jiangsu). It is claimed that the company has not exported any product to India and has sold only in domestic market, It is submitted that it is not open for the exporter to decide whether or not to file questionnaire response for such a company. Non-filing of response is equal to depriving the Designated Authority to investigate the matter and the company should be treated as non cooperative.

y. There are a number of other cases, where market economy treatment was denied as the response/information was not filed by all companies of the group

z. Domestic industry submits that the company and the whole group is not eligible for market economy treatment and should be declared as non-cooperative.

D.2 Submissions by M/S Ningbo Nylon Company limited and ATMA

11. M/s Ningbo Nylon Company Limited and ATMA have made following submissions-

a. The company have requested market economy and is grateful for the opportunity to clarify certain issues that it did not satisfactorily clarified in the original investigation or in the appeal based on the material filed in the original investigation.

b. As per Indian rule, any lingering distortion must be significant and not insignificant or minor and there must be specific finding on why distortion regarded as significant.

c. Only past five years are to be considered by the Designated Authority and not what happened before. This is established practice of EC/EU/USDOC and other leading jurisdictions.

d. Ningbo Jinlun is not part of any Kingring group and is not aware of the same. Ningbo Jinlun owns a trademark Kindring and for this reason is sometimes, referred by others as Kindring group.

e. Chinese character for Jinlun when entoned oen way means Nylon a generic product and when intoned another way mean the Chinese word for Kingring. This is similar to the case of Matsushita being better known as Panasonic or Daimler Benz better known as Mercedes Benz, MIRC Electronic is better

known as ONIDA in India. This does not link Ningbo Jinlun with any Kingring Group.

f. Ningbo Jinlun is neither a successor in interest to any TVE's nor are any TVE's shareholders of Ningbo Jinlun. 100% is owned by Ningbo Group of which over 95% of the shareholding by a single person-a trader turned entrepreneur.

g. In some ways similar to India, Land acquisition is an issue in China and the villagers from the village whole land use rights and possession were acquired own the balance few shares through respective special purpose vehicle in the nature of asset management companies, so that they might benefit from the appreciated value.

h. These SPVs have handed over full executive powers and voting rights to the president and overwhelming majority shareholder. There has been no intent to create any companies or to have a say in Management so the question of any state interference or control does not arise.

i. Caprolactum is 70% of the cost of production as determined by the Designated Authority in the last finding and at that time, Ningbo imported 60% of its requirement. While it is barely possible that 40% domestic caprolactum could be found to be significant the fact is that during the SSR POI, the company imported over 90% of its requirement and it can not reasonably be held that less than 10% domestic procurement at a price not lower than imported price could significantly reduce or distort cost of production.

j. Sole issue due to which MET was denied in the original investigation and now only the past 5 years are to be looked at. Ningbo Jinlun have filed other evidences and clarifications. There are no major investment in last 5 years to date and details are on record in respect of funding and of profits earned in last 5 years and dividend paid.

k. In respect of Taxes, Ningbo Jinlun pays due taxes, the group takes advantages of all tax planning methods.

l. The company referred to by the domestic industry is a WOS of Ningbo Jinlun. There are no other owners with say in management that can distort the management control of Ningbo Jinlun by Mr. LUHanzeha, who is also a common manager. It did not respond as it ahs no export to India in POI, hence no response filed. The precedents did not appear comply to the present investigation.

m. Should the authority feels that the subsidiary producer ought to have responded, we may grant time for the same.

n. Thailand is not an appropriate surrogate country for China as it is a high income country comparable to China and India. Further, it is not comparable to either and since its only information from a single related producer and does not represent Thai NTCTF industry as a whole and since its just one prouder (Unlike Reliance judgment which contemplates wider consideration).

o. Till Reliance judgment, Designated Authority determined company specific dumping margin, which is the case of other jurisdictions. However, Designated Authority is bound by Reliance judgment and not by ADA Rules. Hence, order of priority contemplated will not apply. Reliance judgement mandate single country normal value and countrywide injury.

p. If MET is denied than normal value should be constructed in India with verified Ningbo Jinlun Caprolactum import price and verified conversion ration. Since India is more comparable country for construction ov normal value especially as this was case in original investigation also.

q. Ningbo Jinlun submits no dumping but due to differences in accepted accounting norms and profit expectations it is possible that there may be small dumping margin even if MET were granted and in case MET is denied, the dumping margin may be based on constructed normal value in India and verified import price of Ningbo Jinluns caprolactam price since there is anti dumping on caprolactum imports in India.

D.3 Examination by the Designated Authority.

12. The Authority sent a copy of exporter's questionnaire and market economy questionnaire to known exporters in China PR. Only M/s Ningbo Nylon Company Limited (Producer) and M/s Ningbo Jinlun Import & Export Co. Ltd (related Exporter) have responded to the initiation notification and provided relevant information. The company has claimed market economy status and claimed that the Authority should not proceed with the previous determination, but make fresh determination of market economy status of the company. For rebutting presumption of non-market economy the producer/exporter submitted the same information as was submitted in the original investigation. No additional information has been submitted to strengthen his claim of market economy treatment. In the original investigation market economy treatment was denied to the exporter on the grounds details of which are given in the original findings. However, in the submission it has been stated that Mr. LU Hanzhen is only full time Executive Director and President of the company.

He is also president of the holding company i.e. Jinlun Group Co. Ltd. (“ Group”) and other related companies. In the Group Mr. LU Hanzhen hold 37.3% shares whereas other entities hold the balance shares. In respect of other entities it has been stated that these entities represent interest of the villagers in the respective villages whose land was acquired by the said group company. It has further been stated that dividends are paid directly to the individual share holders (not to the SPVs) who also attend the AGM. It has also been stated that Cixi Town hold their share through Assets Management Co. of Zonghan Town, Cixi.

13. The Authority note that in China-PR the land was not held by individuals, therefore question of SPVs holding interest of individuals in lieu of land do not arise. In any case Assets Management Co. is holding interest on behalf of Cixi Town. Though it has been claimed that SPVs and AMC do not participate in day to day management of the affairs of the company nor is part of their functioning. The authority, in this regard notes that non-transparent nature of AMC and SPVs indicate that interference of the state in the critical decisions making of the company can not be ruled out. Therefore, the authority has not granted market economy treatment to the producer/exporter in this investigation. After the disclosure statement, it has been stated that “Actually in China, the land of the cities is state owned, while the land of the villages is collective-owned. In this sunset review case, the villagers planted on the land and thus made a living and held the land use rights before the land and/or land use rights was acquired by Jinlun Group. So the shareholding was given to the affected villagers during the acquisition as part of the compensation package and SPVs were formed to hold the interest of the individuals. A tiny part of the land was urban for which the said AMC was included as a small shareholding by way of compensation. The Authority did not find any new information disclosed after the disclosure statement as the relevant information has already been taken into consideration while deciding the status of the cooperating producer/exporter. Therefore, the Authority holds that the market economy treatment cannot be granted to the cooperative producer/exporter in the present investigation.

Normal Value for China PR

14. As noted above, the cooperating producer/exporter has not been granted market economy treatment. Therefore, the normal value for the China-PR will be determined in accordance to para 7 of Annexure-1 of the rules.

15 Para 7 of the Annexure-1 with regard to determination of normal value provides as follows–

7. In case of imports from non-market economy countries, normal value shall be determined on the basis of the price or constructed value in a

market economy third country, or the price from such a third country to other countries, including India, or where it is not possible, on any other reasonable basis, including the price actually paid or payable in India for the like product, duly adjusted if necessary, to include a reasonable profit margin. An appropriate market economy third country shall be selected by the designated authority in a reasonable manner [keeping in view the level of development of the country concerned and the product in question] and due account shall be taken of any reliable information made available at the time of the selection. Account shall also be taken within time limits; where appropriate, of the investigation if any made in similar matter in respect of any other market economy third country. The parties to the investigation shall be informed without unreasonable delay the aforesaid selection of the market economy third country and shall be given a reasonable period of time to offer their comments.

16 The domestic industry suggested consideration of Thailand or Chinese Taipei as appropriate market economy third country. The applicant however estimated normal value based on cost of production in India for the purpose of initiation of Sunset review. Subsequently, the domestic industry submitted information on normal value from a producer in Thailand, M/s. Thai Baroda Industries Ltd – Thailand.

17 ATMA and the cooperating producer/ exporter from China disputed consideration of Thailand as appropriate market economy third country and stated that ‘Thailand is not an appropriate surrogate country for China as it is a high income country comparable to China and India. Further, it is not comparable to either and since its only information from a single related producer and does not represent Thai NTCF industry as a whole and since its just one prouder (Unlike Reliance judgment which contemplates wider consideration)’. It has also been stated that the options contemplated in para 7 of Annexure I of Rules are not applicable.

18 The Authority notes that the para 7 of the Annexure-1 of rules specifically provide for consideration of third country as the first option for determination of normal value. Therefore, the argument extended by interested parties is legally untenable, however, the Authority made a comparison of the data on normal value provided from a producer in Thailand and constructed normal value based on cost of production in India and noted that the constructed value based on cost of production of the domestic industry is lesser than that of producer in Thailand whose data has been submitted by the domestic industry. The authority, therefore, has determined normal value on the basis of method ‘on any other reasonable basis’.

Constructed Normal value for China PR

19 The normal value has been constructed on the basis of raw material (caprolactum) at international prices to India, consumption norm of the cooperating exporter, conversion cost of the domestic industry. To this, profit @ 5% has been added to determine normal value. By this methodology the normal value has been constructed as US\$ *** per kg for Grey and US\$ *** per kg for Dipped fabric. After disclosure statement, it has been stated by the cooperating producer/exporter that caprolactum price of M/s Century Enka should have been taken for construction of the normal value. In this regard, it has been noted that price of raw material (caprolactum) worked out on the basis of international prices in India on the basis of

DGCI&S data was lower than that of M/s Century Enka. Therefore, the lower price was taken for construction of the normal value.

Export Price for Ninbo Jinlun

20 Ninbo Jinlun filed response to questionnaire in the form and manner prescribed. The information filed by the company was correlated with the other information available on record. The Authority relied on the information provided by Ninbo Jinlun for determination of its export price. The export price has been determined on the basis of weighted average price of exports made during the POI. The CIF export price has been adjusted for ocean freight, marine insurance, commission, inland expense, credit cost, as per information provided. The expenses in respect of VAT differential @ 6% (as per document submitted after the disclosure statement) and administrative expenses @ 1% of exporter not disclosed by the exporter have been adjusted to arrive at ex factory export price. The ex factory export prices have been determined separately for grey and dipped NTCF. The ex-factory price determined comes to US\$ *** per kg for grey and US\$ *** per kg for dipped NTCF.

Export price for non-cooperating exporters from China PR

21 Export price for non cooperative exporters has been determined on the basis of transactions of imports during the POI based on the information made available by DGCI&S. Separate export price has been determined for grey and dipped NTCF. The CIF export price has been adjusted for expenses adjusted for cooperating exporter to arrive at ex factory export price. The ex factory export prices have been determined separately for grey and dipped NTCF. The ex-factory price determined comes to US\$ *** per kg for grey and US\$ *** per kg for dipped NTCF.

Dumping Margin

22 Based on the normal value and export price as determined above, the Authority has determined the dumping margin as under:

Exporter/Producer	Normal Value	Export Price	Dumping	Dumping
			Margin	Margin
	US\$/KG	US\$/KG	US\$/KG	%
Ningbo Jinlun producer and Ningbo Nylon Import & Export Company – Trader				
Grey	***	***	***	41.33
Dipped	***	***	***	41.77
Weighted		***	***	41.08
Other non- cooperating exporters				
Grey	***	***	***	97.54
Dipped	***	***	***	56.84
Weighted			***	80.26

23 It is noted that the dumping margins are significantly beyond *de minimis* limits.

E METHODOLOGY FOR INJURY DETERMINATION AND EXAMINATION OF

CAUSAL LINK

E.1 Views of the Domestic Industry

24. The domestic industry has submitted as under:-

(i) Domestic industry submits that imports from China have increased in spite of

imposition of duty, which itself establish that the exporters have intensified dumping in the Indian market. Increase in imports has resulted in increase in market share of China in Demand of the product in India. Market share of imports from China have increased from insignificant levels in 1999-00 to very significant level (more than 30%) in Dec 2008. As a direct consequence, market share of domestic industry declined significantly in Dec 2008.

(ii) Increase in imports in spite of imposition of anti dumping duty clearly shows that (1) present duty is not sufficient (2) exporter have absorbed the duty.

(iii) Domestic industry submits that Market share of China in demand of product in India has increased significantly.

(iv) The market share of China increased significantly, particularly in the last 3 months and Chinese producers have captured 32% market share, which forced the domestic industry almost completely out of production. Increase in market share of imports in general and China in particular, has directly resulted into decline in market share of domestic industry.

(v) The price difference between china and third country are at unprecedented levels at present.

(vi) It is evident from the above that prices from China have declined very significantly and difference in price from China PR and other countries is at its highest level in the last 10 years.

(vii) Significant capacity in China in excess of present and potential demand.

(viii) There are 46 producers of NTCF in China PR having combined capacity of 505,900 MT. As against this, domestic demand is just 1,40,000 MT, which is significantly less than existing capacities. It is claimed by the responding exporter that out of four plants, two have been closed. Domestic industry submits that (a) capacity and demand in China is to be seen with reference to country as a whole and not with reference to the producer, (b) plant closure only implies intensified dumping in the event of revocation of anti dumping duty. Plant has been closed for lack of demand. Representative of Government of China was present in the oral hearing and did not refute our submissions of significant excess capacity.

(ix) Out of 46 producers, only one producer responded to the Designated Authority. As submitted earlier, the responding producer/exporter is not eligible for market economy treatment. Domestic industry wish is not reiterating its detailed submissions made during the original investigation; same should be treated as integral part of the present submissions.

E.2 Submissions by M/S Ningo Nylon Company limited and ATMA

25. M/S Ningo Nylon Company limited and ATMA The domestic industry has submitted as under:-

- a. Petition filed by the domestic industry failed to provide sufficient and accurate data to substantiate the injury to the domestic industry.
- b. Many non confidential data has been claimed as confidential
- c. Indexation does not provide any meaningful interpretation of the information filed.
- d. There are a number of discrepancies in the data filed by the domestic industry.
- e. Domestic industry has claimed total capacity of 61789 in POI, which is different than balance sheet of the petitioner companies.
- f. Production and sales data of SRF does not match with the production shown in annual report, showing a difference of 10916 MT.
- g. Domestic industry is not able to meet the demand of product in India.

- h. Market share of domestic industry actually increased from 54.90% to 56.90% while domestic industry claimed reduction in market share.
- i. Lowering of production resulted into inflated injury margin and NIP.
- j. Both the participating companies are making sufficient profits.

E.3 Examination by the Authority

26. The Authority has taken note that for the sunset review, the relevant provisions of Section 9(A)(5) of the Customs Tariff Act read as under:

“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.”

27. Rule 23 of the Anti-dumping Rules provide for procedure for conducting sunset review. 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 is to be assessed in the sunset review.

28. In this regard Article 3.1 of the ADA and Annexure II of the AD 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 authorities are required to examine whether there has been a significant increase in imports, either in absolute term or relative to production or consumption in the importing member. With regard to the price effect of the dumped imports, the authorities are required to examine whether there has been significant price undercutting by the dumped imports as compared to the price of the like product in the importing country, or whether the effect of such imports is otherwise to depress prices to a significant degree, or prevent price increase, which would have otherwise occurred to a significant degree.

29. For the purpose of assessing present state of injury, Annexure II to the Rules requires that a determination of injury shall involve an objective examination of the consequent impact of these imports on domestic producers of such products. With regard to consequent impact of these imports on domestic producers of such products, the Rules further provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments. Examination of performance of the domestic industry is as under :

30 the Authority has examined the volume and price effects of 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 impact on domestic industry:

Assessment of demand

31 Authority has defined demand or apparent consumption of the product in the Country as the sum of domestic sales of the Indian producers and imports from all sources.

Demand in MT	2004-05	2005-06	2006-07	POI
Sales of Domestic industry	46,117	46,897	54,273	58,984
Sales of other Indian Producers	7,592	6,050	7,037	3,530
Imports - Subject Country	21,594	28,021	23,339	17,204
Imports - Other Countries	19,851	19,837	22,440	24,470
Demand	95,154	100,804	107,089	104,188
Market Share %				
Domestic Industry	48.47	46.52	50.68	56.61
Other Indian Producers	7.98	6.00	6.57	3.39
Indian Industry	22.69	50.34	55.29	55.86
China	22.69	27.80	21.79	16.51
Other Countries	20.86	19.68	20.95	23.49

32. Authority notes that demand of the product in the Country shows positive growth.

Import volume and market share

33. Authority examined whether there has been a significant increase in dumped imports, either in absolute terms or relative to production or consumption in India.

	2004-05	2005-06	2006-07	POI
Imports (in MT)				
China-PR	21,594	28,021	23,339	17,204
Other countries	19,851	19,837	22,440	24,470
Total imports	41,445	47,857	45,779	41,674

34 Authority also compared the volume of exports reported in China Customs, imports reported in DGCI&S and IBIS. The position is as follows

–

Quantity in MT				
	Apr 04-	Apr 05-	Apr 06-	Apr 07-
Period	Mar 05	Mar 06	Mar 07	Mar 08
Export to India (China Customs)	19,035	29,429	24,736	20,510
Export to India				
(IBIS data)	20,918	30,436	25,916	17,948
Export to India				
(DGCIS data)	21,594	28,021	23,339	17,204

35. The Authority notes that the exports from China reported by China Customs are higher than that reported in DGCI&S and IBIS. It has been further noted that imports reported in DGCI&S has not captured the imports reported in IBIS.

36. Authority notes that as per DGCI&S data

- a. Imports from China increased significantly in absolute terms upto 2005-06 and declined thereafter;
- b. Market share of China increased upto 2005-06, but declined thereafter.
- c. Imports from China have remained significant in absolute terms as also relative to production and consumption in India.
- d. The Share of domestic industry has improved in POI as compared to base year.

37 However the analysis by taking into consideration DGCI&S imports data is not reflective of correct picture as the data has not captured all transactions of imports as indicated in the comparison table.

(B) Price effect of imports

38 Designated Authority examined whether there has been a significant price undercutting by the dumped imports as compared with 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 otherwise would have occurred, to a significant degree. In view of significant price difference between grey and dipped NTCF, comparison has been done separately for grey and dipped NTCF.

16 .A comparison for subject goods during the period of investigation was made between the weighted average 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. It has been noted that the price undercutting by imports from subject country continued throughout the injury period. During the POI the undercutting from subject country was in the range of 10-20%.

	Rs/Kg			
	2004-05	2005-06	2006-07	2007-08
<i><u>Grey Fabric</u></i>				
Net Sales Realization	***	***	***	***
Landed Price – China	154.60	170.07	154.16	147.89
Price undercutting	***	***	***	***
Price undercutting %	***	***	***	***
<i><u>Dipped Fabric</u></i>				
Net Sales Realization	***	***	***	***
Landed Price - China	164.69	177.90	163.73	155.36
Price undercutting	***	***	***	***
Price undercutting %	***	***	***	***

Price Underselling

39 Authority notes that the price underselling is an important indicator of assessment of injury. Non injurious price has been worked out and compared with the landed value of the subject goods to arrive at the extent of price underselling. For the purpose of this analysis, weighted average Non-Injurious Price(NIP) of the domestic industry (worked out on the basis of the costing information of the domestic industry) have been compared with landed value of imports from the subject country. The analysis shows that the landed values of subject goods from subject country was much below the non-injurious price determined for the domestic industry during the period of investigation. The underselling margin was within a range of 25-35% for subject goods from subject country during the POI.

		Imports from China PR		
		Grey	Dipped	Average
Import volumes	MT	4,981	12,223	17,204
Landed Price	Rs./kg	147.89	155.36	153.19
Non-injurious price	Rs./kg	***	***	***
Price underselling	Rs./kg	***	***	***
% underselling	%	***	***	***

Capacity, production & capacity utilization

40. Capacity, Production and Capacity Utilization of the domestic industry is given in the following table:

41. It has been noted that data relating to capacity, production etc. state din the annual reports of M/s SRF includes data of other products which is not the product under consideration. The data verified from company records have been relied upon for analysis. The data shows the capacity of the domestic industry has increased from 44650 MT in 2004-05 to 61789 MT in the POI i.e.

increased by 17139 MT(38%). The production during the same period increased from 46958 MT to 60605 MT i.e. by 13647 MT (29%). The capacity utilization (enhanced) decreased from 105% in base year to 98% in the POI.

Sales

Sales Volume of the domestic industry is given in the following table:

42. The data shows that sales of domestic industry has increase from base year to POI by 12867 MT and other producers decreased by 4062 MT.

43. The profitability, profits and cash flow of the domestic industry are given in the following table:-

44. The data of the domestic industry shows that the cost of sale per unit has increased to 108 (indexed) in POI as compared to 100 of base year. In terms of value the cost of sale increased by Rs. 13 per kg. During the same period the net sales of realization of the domestic industry declined to 97 (indexed) in POI as compared to 100 of the base year. In terms of value the sale price declined by Rs. 5 per kg. The profit per kg. from 100 (indexed) in the base year turned to loss of 37 in the POI.

Cash Flow

45. Both the constituents of the domestic industry are multi products, multi-location companies. Therefore, cash profit situation of the domestic industry has been determined. Cash profit continuously declined from base year to POI and in indexed form decreased from 100 in base year to become 37 in POI.

Return on capital employed

46. The Information regarding return on capital employed is given in the table below:

47. The data shows that the capital employed has increased by 72 % in POI as compared to base year. The capital employed has increased on account of capacity addition and increase in working capital. The return on capital employed (NFA basis) was positive in base year, turned negative in POI.

Employment and Wages

48. Employment & Wages levels of the domestic industry is given in the following table:

49. The data shows that number of employees increased by 18% in POI as compared to base year. The wages to employees increased by 44% during the same period.

Productivity

50. Productivity of the domestic industry, as reflected in terms of production per employee, is given in the following table

51. The productivity of the domestic industry i.e. production per employee improved by 9% during POI as compared to base year.

Growth

52. The demand, capacity, production, sales and cost of sales show positive growth. The selling price, profitability, PBIT and return on capital employed shows negative growth.

Inventory

53. The inventories of the domestic industry have increased from base year to POI. It was equal to 7 days of sale in base year and increased to 11 days of sales in POI.

Inventories Average Stock (MT)

Trend

Sales per day

**Avg stock in terms
sales days**

Factors affecting domestic prices: -

54. In order to ascertain the factors affecting the domestic prices, the Authority considered various available information. It has been noted that cost of production has increased by 8% in POI as compared to base year. It has also been noted that the imports were undercutting the prices of the domestic industry in the market. It is further been noted that caprolactam is a major input for production of the subject goods and the prices of the subject goods move in tandem with movements in the prices of caprolactam which has increased over injury period.

The magnitude of the margin of dumping: -

55. Authority notes that dumping margin from China is not only more than *de minimis*, but also very substantial.

Ability to raise capital investments: -

56. Authority notes that both the constituents of the domestic industry are multi product companies. Both the companies have made fresh investments, given the rising demand in the Country and supported by other products activities of these companies. However, even after the higher investments, the profitability declined very steeply to such an extent that the domestic industry suffered financial losses. Further, the domestic industry suffered negative profit before interests and decline in cash profits per units, which establishes that the deterioration in these parameters was not due to fresh investments made.

Overall assessment of Current Injury

57. The Authority has noted that demand of subject goods has increased by 9% (9534 MT) in POI as compared to base year. The domestic industry increased capacity by 38% (17139 MT), production by 29% (13647 MT) and sales by 28% (12867 MT). However, average inventory also grew to 11 days of sale as compared to 7 days in the base year. It appears that domestic industry could take advantage of growth in demand by increasing its capacity, production, sale and market share in demand from 48.47% in base year to 56.61% in POI. The share of the subject country in the same period declined from 22.69% to 16.51% in the POI. However, the decline in share is not reflective of the correct position as demand was assessed by taking into account imports data obtained from DGCI&S and it has already been noted that the data had not captured all imports transactions from the subject country.

58. The cost of sale per unit increased by 8% (Rs. 13) in POI as compared to base year. The selling price during the same period declined by Rs. 5. Consequently, profit per unit which was positive in the base year turned to negative in the POI. In index figure it was 100 in the base year and turned to minus 30 in the POI. Similarly, profits (PBIT) turned to minus 10 (indexed) in POI as compared to 100 of the base year. The Returns on capital employed also turned to -6 (indexed) in POI from 100 of the base year.

59. The above analysis indicate that though the domestic industry could take advantage of the growth in demand by increasing its capacity, production, sale, however, it suffered heavily in terms of profits and returns on capital employed. It also indicate that domestic industry continue to suffer material injury despite continuance of anti dumping duty from China PR.

OTHERS KNOWN FACTORS

60. The authority has also examined following known factors other than dumped imports which may have been causing or contributing injury of the domestic industry:

Volume and prices of imports from other sources

61. It has been seen that significant imports are being reported from Chinese Taipei, Thailand, Belarus and Indonesia also. Imports from Belarus were claimed to be at dumping prices and the Authority in this regard has notified preliminary findings in which the anti dumping duty has already been recommended. Imports from Thailand, Taiwan and Indonesia were at prices higher than Chinese and therefore could not have caused injury to the domestic industry.

Contraction in demand and / or change in pattern of consumption

62. Demand of the product under consideration has not registered negative growth. Contraction in demand is not a possible reason which could have contributed to injury to the domestic industry.

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

63. The subject goods are freely importable and there is no evidence of trade restrictive practices prevailing in the domestic market. This factor could not have been the reason to cause injury to the domestic industry

Development of technology and export performance

64. Technology for production of the product has not undergone any significant change. Development in technology is not a factor of injury. The domestic industry has negligible export activity.

Productivity of the Domestic Industry

65. Productivity of the domestic industry measured as production per employee has shown that productivity has increased therefore, the same could have been a cause of injury to the domestic industry.

F.1 Causal link & Likelihood of continuance or recurrence of dumping and

injury

66. The Authority has noted that following submissions were made in respect of causal link, likelihood of continuance or recurrence of dumping and injury

67. The imports from China have remained significant over the injury period in spite of anti dumping duties in force. The volume of imports is likely to increase further in the event of revocation of duties. Imports from China were undercutting the prices of the domestic industry. Thus, Chinese imports would increase significantly in the event of revocation of anti dumping duties. Cost adjusted prices of the domestic industry declined, which directly resulted in decline in profitability of the domestic industry. The new shipper review investigation conducted by the Authority resulted in significant increase in dumping margin in respect of the company concerned. Chinese producers are holding significant freely disposable capacities. Imports are entering at a prices that is likely to increase further demand for imports in the event of revocation of anti dumping duties.

68. There are 46 producers of the product in China, having a combined capacity of 505900 MT. Domestic demand in China is significantly lower than capacity. As against estimated domestic demand of 140000 MT, known capacity in China is 505900 MT and exports during the POI were 75657 MT to various destinations in the World. Exports to India ranks number 1 in terms of Chinese export destination of the product. Exports to India were 27.11 % of total exports from China. Chinese imports into India were not only consistent but also quite significant. Price undercutting in respect of imports is too significant, thus indicating likelihood of further importation in the event of revocation of duties. All the companies who had responded to the Authority at the time of original investigations or who had requested new shipper review have not cooperated with the Authority and have not provided relevant information. A number of Chinese producers are wholly or partly state owned/controlled enterprises. Major Chinese producers of the subject goods, namely M/s. Junma Tyre Cord Company Limited and Jinlun Tyres have been found to be not operating in market economy environment. It was argued by the responding Chinese company that the Chinese domestic demand is expected to increase significantly. However, no quantified information has been given with regard to the likely increase in demand and its time period

F.2 Examination by Authority

69.. The imports from subject country continued to be significant during the continuation of anti dumping duty. The present investigation is a review of anti dumping duty for its continuance or otherwise. It has been noted that undercutting by imports from subject country was in the range of 10-20% and underselling of Non-Injurious Price by the import from subject country was in the range of 25-30%. Further, imports in significant quantities from subject country continued on dumped prices as has already been analysed in the earlier sections of this findings. The domestic industry on account of dumped imports from subject country suffered losses as reflected in decline in selling price, loss of profits and negative returns on capital employed.

70. The above analysis indicate that domestic industry continued to suffer material injury as a consequence of dumped imports from the subject country.

71. The Authority has noted that despite imposition of anti dumping duty, the dumping from subject country continued as has been analysed in the earlier section of this findings. There is no data/evidence came before the Authority indicating that the dumping would discontinue on revocation of anti dumping duty.

72. In view of continuance of injury to domestic industry because of dumped imports, the Authority note that injury to the domestic industry may be intensified in case anti dumping duty is revoked as there is a significant undercutting and underselling by imports from the subject country.

G. FINAL FINDINGS

73. The Authority after considering the foregoing concludes that:

- a. Subject goods originating in or exported from China PR has been exported to India below their normal value, resulting in dumping;
- b. Dumping of subject goods from subject country continue to cause material injury to the domestic industry.
- c. And in case of revocation of anti-dumping duties on the subject goods from subject countries, the dumping is likely to continue (from China PR) leading to the continuance /intensification of injury to the domestic industry.

H. Indian industry's interest & other issues

74. 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 countries in any way, and, therefore, would not affect the availability of the products to the consumers.

I. Recommendations

75. In view of positive determination of likelihood of dumping and injury on account of imports from subject countries the Authority is of the opinion that continuation of the measure is required against imports from subject countries. However, considering the current level of dumping from subject countries and performance of the domestic industry, the Authority is of the opinion that the measure in force needs to be revised., Authority considers it necessary and recommends anti-dumping duty on imports of subject goods from subject countries in the form and manner described hereunder.

76. Having regard to the lesser duty rule followed by the authority, the Authority recommends imposition of definitive anti-dumping duty equal to the margin of dumping or margin of injury whichever is lesser, so as to remove the injury to the domestic industry. Considering that the duty in the original investigation was imposed on fixed duty basis the Authority recommends continuation of definitive antidumping duty. Accordingly, Definitive antidumping duty equal to the amount indicated in Column-9 of the table below is recommended to be imposed from the date of notification to be issued in this regard by the Central Government, on all imports of subject goods originating in or exported from the subject country.

Sl. No	Tariff Item	Description of Goods	Grade	Country of Origin	Country of Export	Producer	Exporter	Amount	Unit of Measurement	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1.	5902.10	Nylon Tyre Cord Fabric (NTCF)	All Grades	China PR	China PR	M/s Ningbo Nylon Company Ltd.	Ningbo Jinlun Import & Export co.ltd.	1.24	Kg	USD
2	Do	Do	Do	China PR	China PR	Any combination other than at 1 above		1.76	Kg	USD
3	Do	Do	Do	China PR	Any country other than China PR	Any	Any	1.76	Kg	USD
4	Do	Do	Do	Any country other than country/ies attracting anti dumping duty	China PR	Any	Any	1.76	Kg	USD

77. An appeal against this order, after its acceptance by the Central Government, shall lie before the Customs, Excise and Service tax Appellate Tribunal in accordance with the relevant provisions of the Act.

(R. Gopalan)
The Designated Authority