



**Government of Pakistan
National Tariff Commission**

**Report
on**

Final Determination and Levy of Antidumping Duties on Dumped Imports of Polyester Staple Fiber (Not Exceeding 2.0 Denier) into Pakistan Originating in and / or Exported from Chinese Taipei, The Republic of Indonesia and The Kingdom of Thailand

**A.D.C No. 59/2021/NTC/PSF
February 03, 2022**

The National Tariff Commission (the “Commission”) having regard to the Anti-Dumping Duties Act, 2015 (the "Act"), the Anti-Dumping Duties Rules, 2001 (the "Rules") and the WTO’s Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (the “Antidumping Agreement”).

2. The Commission is responsible for conducting anti-dumping investigations for determination of dumping of the imported products, consequent material injury to the domestic industry caused by such dumped imports and imposition of anti-dumping duty to offset injurious impact of dumped imports to domestic industry and to ensure fair competition thereof.

3. The Commission has conducted an antidumping investigation against dumped imports of Polyester Staple Fiber, PCT No. 5503.2010 (Not Exceeding 2.0 Denier & Excluding Colored Polyester Staple Fiber and Regenerated Polyester Staple Fiber) (“PSF”) into Pakistan Originating in and/or exported from Chinese Taipei, the Republic of Indonesia and the Kingdom of Thailand (the “Exporting Countries”) under the Act and the Rules. The Commission has made this final determination in this antidumping investigation under Section 39 of the Act. This report of final determination is issued in accordance with Section 39(5) of the Act and Article 12.2 of the Antidumping Agreement.

4. In terms of Section 39(1) of the Act, the Commission shall make a final determination of dumping and material injury to the domestic industry within one hundred and eighty days of publication of a notice of preliminary determination in the official Gazette. Notice of preliminary determination in this investigation was published in Official Gazette and in newspapers on August 04, 2021.

A. PROCEDURE

5. The procedure set out below has been followed with regard to this antidumping investigation:

6. **Receipt of Application:**

6.1 On December 14, 2020 the Commission received a written application under Section 20 of the Act from M/s Ibrahim Fibres Limited and M/s ICI Pakistan Limited, (the “Applicants”). The Applicants alleged that PSF originating in and/or exported from Chinese Taipei, the Republic of Indonesia, the Republic of Korea and the Kingdom of Thailand is being dumped into Pakistan, which has caused and is causing material injury to the domestic industry producing PSF.

6.2 The Commission informed the Diplomatic Missions of the Republic of Indonesia, the Republic of Korea and the Kingdom of Thailand through note verbal(s) dated December 18, 2020 of the receipt of application in accordance with the requirements of Section 21 of the Act.

On December 18, 2020 the Commission informed the Mission of Chinese Taipei to WTO through Pakistan’s Mission to WTO in Geneva, of the receipt of application in accordance with the requirements of Section 21 of the Act.

7. Evaluation and Examination of the Application:

7.1 The examination of the application showed that it met the requirements of Section 20 of the Act as it contained sufficient evidence of dumping of PSF into Pakistan from the Exporting Countries and material injury to the domestic industry caused therefrom. Requirements of Rule 3 of the Rules, which relate to the submission of information prescribed therein were also found to have been met.

7.2 The Commission found that volume of alleged dumped imports of investigated product from Korea was less than three percent of total imports of PSF during the period from October 01, 2019 to September 30, 2020 i.e. 2.03 percent. Therefore, the volume of alleged dumped imports of PSF from Korea was considered negligible i.e. less than three percent in accordance with Section 41(3)(b) of the Act and anti-dumping investigation was not initiated against the Republic of Korea.

8. The Domestic Industry:

8.1 The domestic industry manufacturing PSF comprises of three units i.e. the Applicants (*M/s Ibrahim Fibres Limited and M/s ICI Pakistan Limited*) and M/s Rupali Polyester Limited having installed production capacity of 537,347 MT per annum on three shifts basis. The Applicants (two units) constitute 95 percent of the domestic production and their installed production capacity is 512,600 MT per annum on three shifts basis. M/s Rupali Polyester Limited (third unit) has production capacity of 24,747 MT per annum.

8.2 Government of the Republic of Indonesia and importers of PSF (members of APTMA) have raised objection on initiation of antidumping investigation on the grounds that one of the Applicants namely M/s ICI Pakistan Limited did not qualify to be part of the domestic industry in terms of Section 2(d) of the Act, because its related companies M/s Gadoon Textiles Mills and M/s Yunus Textiles Mills have imported PSF from the Exporting Countries during the POI. The Government of Indonesia has objected that M/s ICI Pakistan Limited has imported investigated product from the Exporting Countries during the POI and therefore, may be excluded from the scope of domestic industry.

8.3 As per Section 2(d) of the Act:

“Producers shall be deemed to be related to exporter or importer only if:

- (i) One of them is directly or indirectly controls the other;*
- (ii) Both of them are directly or indirectly controlled by a third person; or*
- (iii) Together they directly or indirectly control a third person,*

Provided that there are grounds for believing or suspecting that the effect of the relationship is such as to cause the producer concerned to behave differently from non-related producers. For the purpose of this paragraph, one shall be deemed to control another when the former is legally or operationally in a position to exercise restraint or direction over the later.”

8.4 The information gathered during this antidumping investigation revealed that M/s ICI Pakistan Ltd. and Group Companies of Yunus Brothers Group i.e. M/s Gadoon Textiles Mills and M/s Yunus Textiles Mills are part of Yunus Brothers Group and have few common Directors. M/s Gadoon Textiles Mills and M/s Yunus Textiles Mills imported 2,386 MT of PSF from the Exporting Countries during the POI for their own use and not under the directions of M/s ICI Pakistan Limited nor sold the imported product to M/s ICI Pakistan Limited or in the domestic market. M/s ICI Pakistan Limited is an independent entity of Yunus Brothers Group maintaining its own financial accounts, submits separate income tax returns, has no profit and loss transfer agreement with M/s Gadoon Textiles Mills and M/s Yunus Textiles Mills. However, M/s ICI Pakistan Limited is the major producer of PSF and its share in total domestic production of PSF during the POI was 31 percent. M/s. Ibrahim Fibres Limited imported Purified Terephthalic Acid and Viscose Staple Fibre, which are not the investigated product from the Exporting Countries during the POI.

8.5 The above issue was earlier examined during Preliminary Determination in this case. On receipt of subsequent objections, as stated at para 8.2, the Commission has re-examined the issue under the applicable law as quoted at para 8.3 above as well as facts on ground. The Commission has found that:

- a) none of the three (M/s ICI Pakistan Ltd, M/s Gadoon Textiles Mills and M/s Younas Textiles Mills) directly or indirectly controls the other as explained at para 8.4;
- b) none of them is directly or indirectly controlled by a third party;
- c) all the three jointly or separately don't control a third party: and
- d) the investigations have also shown that their behavior was not different among themselves vis-à-vis non related parties.

Based on the above stated findings in terms of Section 2(d) (i) - (iii) of the Act, the Commission has concluded that M/s ICI Pakistan Ltd and M/s Ibrahim Fibres Ltd qualify to be in the definition of the domestic industry

9. **Standing of the Application:**

9.1 In terms of Section 24(1) of the Act,

“.... an application shall be considered to have been made by or on behalf of the domestic industry only if it is supported by those domestic producers whose collective output constitutes more than fifty percent of the total production of a domestic like

product produced by that portion of the domestic industry expressing either support for or opposition to the application.”

Furthermore, Section 24(2) of the Act provides that:

“..... no investigation shall be initiated when domestic producers expressly supporting an application account for less than twenty five percent of the total production of the domestic like product produced by the domestic industry.”

9.2 The Applicants are major domestic producers of PSF in Pakistan. The Applicants produced 95 percent of total domestic production of PSF during the period from October 01, 2019 to September 30, 2020. Details of the production of PSF by the domestic industry are as follows:

**Table – I
Standing of Application**

S. No	Unit Name	Share in total production	Status
(1)	(2)	(3)	(4)
i.	M/s ICI Pakistan Limited	31%	Applicant
ii.	M/s Ibrahim Fibers Limited	64%	Applicant
iii.	M/s Rupali Polyester Limited	5%	Supporting
	Total	100%	

Source: the domestic industry.

9.3 The Applicants represent 95 percent of the total domestic production of PSF by the domestic industry and the application is supported by third unit in the domestic industry i.e. M/s Rupali Polyester Ltd. which accounts for 5 percent of total domestic production. Thus, the Application is supported by the domestic producers whose output constitutes 100 percent of domestic production of PSF. Therefore, the Application fulfills the standing requirements of Section 24 of the Act and it is determined that the application is made by or on behalf of the domestic industry.

10. **Applicants’ Views:**

10.1 The Applicants, *inter alia*, raised the following issues in application regarding alleged dumping of PSF and material injury to the domestic industry caused therefrom:

- (a) PSF imported from Chinese Taipei, the Republic of Indonesia, the Republic of Korea and the Kingdom of Thailand into Pakistan and PSF produced in Pakistan by the domestic industry are like products;

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- (b) Exporters /producers from Chinese Taipei, the Republic of Indonesia, the Republic of Korea and the Kingdom of Thailand are exporting PSF to Pakistan at dumped prices; and
- (c) Exports of PSF by the exporters /producers from Chinese Taipei, the Republic of Indonesia, the Republic of Korea and the Kingdom of Thailand to Pakistan at dumped prices has caused and is causing material injury to the domestic industry producing PSF.

10.2 The Applicants requested the Commission to address the injury, caused to the domestic industry, by initiation of an anti-dumping investigation against dumped imports of PSF from Chinese Taipei, the Republic of Indonesia, the Republic of Korea and the Kingdom of Thailand and impose anti-dumping duties on these alleged dumped imports. It was also requested that provisional anti-dumping measures may be imposed to prevent injury being caused during the course of investigation.

11. **Exporters /Producers of PSF in the Exporting Countries:**

The Applicants have identified 41 exporters/ producers of PSF involved in alleged dumping of the investigated product from Chinese Taipei, Republic of Indonesia, Republic of Korea and Kingdom of Thailand. The Applicants have stated that there may be other exporters/ producers of the investigated product, which are not known to them, therefore, the Applicants have requested for imposition of antidumping duty on all imports of the investigated product originating in and/or exported from Chinese Taipei, the Republic of Indonesia, the Republic of Korea and Kingdom of Thailand.

12. **Anti-dumping Duties In-place on Dumped Imports of PSF:**

12.1 The Commission imposed following definitive anti-dumping duties on dumped imports of PSF, importable from the People’s Republic of China (“China”), for a period of five years effective from October 03, 2015 on the basis of its determination made in accordance with the provisions of the Act:

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**Table – II
Definitive Anti-Dumping Duty Rates**

Exporter/ Producer from China	Antidumping Duty Rates (%)
(1)	(2)
Shanghai Hengyi Polyester Fiber Co., Limited	7.88
Jiangyin Huahong Chemical Fiber Co., Limited	2.82
Jiangyin Hailun Chemical Fiber Co., Limited	8.22
Xiamen Xianglu Chemical Fiber Co. Limited	7.81
Fujian Zhengqi High-Tech Fiber Technology Co. Limited	7.72
All other exporters	11.51

12.2 The Commission under Sections 58 and 59 of the Act, initiated sunset and change circumstances reviews of above antidumping duties imposed on exporters /producers of PSF from China, to determine whether expiry of the anti-dumping duties imposed on dumped imports of PSF from China would likely lead to continuation or recurrence of dumping and injury and whether change of circumstances warrant continuation, removal or amendment of the anti-dumping duties. The Commission terminated the changed circumstances review and on conclusion of sunset review continued the anti-dumping duties imposed on exporters /producers of PSF from China as per the above-mentioned rates on ad valorem basis for further five years effective from October 02, 2020.

13. Initiation of Investigation:

13.1 The Commission, in accordance with Section 23 of the Act examined the accuracy and adequacy of the evidence provided in application and established that the volume of alleged dumped imports of investigated product from the Republic of Korea account for less than three percent of total imports of a like product i.e. 2.03 percent during the period from October 01, 2019 to September 30, 2020 therefore, anti-dumping investigation was not initiated against the imports of PSF from the Republic of Korea.

13.2 It was *prima facie* found that there was sufficient evidence of alleged dumping of PSF into Pakistan from Chinese Taipei, Indonesia and Thailand (the “Exporting Countries”) and consequent material injury to the domestic industry during the period from October 01, 2017 to September 30, 2020. Accordingly, the Commission decided to initiate antidumping investigation and issued a notice of initiation in accordance with Section 27 of the Act which was published in the Official Gazette¹ of Pakistan and in two widely circulated national newspapers² (one in English language and one in Urdu Language) on February 06, 2021. Investigation concerning

¹ The official Gazette of Pakistan (Extraordinary) dated February 06, 2021.

² The ‘Business Recorded’ and the ‘Daily Assas’ of February 06, 2021.

³ PCT heading in Pakistan is equivalent to Harmonized Commodity Description and Coding System up to six-digit level.

alleged dumped imports of PSF into Pakistan [PCT No.³ 5503.2010] originating in and/or exported from the Exporting Countries was thus initiated on February 06, 2021.

13.3 In pursuance of Section 27 of the Act, the Commission notified the Diplomatic Missions of Indonesia and Thailand in Islamabad of the initiation of investigation (by sending a copy of the notice of initiation) on February 08, 2021 with a request to forward it to all exporters/producers involved in production, sales and export of PSF from their respective countries. The Commission sent copy of Notice of initiation of antidumping investigation to the Mission of Chinese Taipei to WTO through Pakistan’s Mission to WTO in Geneva on February 8, 2021. Copy of the notice of initiation was also sent on February 11, 2021 to known exporters/producers of PSF from the Exporting Countries, whose addresses were available with the Commission with a request to be registered as an interested party in the investigation with-in 15 days of publication of the notice of initiation. Copy of the notice of initiation was also sent to known Pakistani importers and the Applicants on February 11, 2021.

13.4 In accordance with Section 28 of the Act, on February 11, 2021 the Commission sent copy of full text of the written application (non-confidential version) and Exporter’s Questionnaire to the exporters /producers of PSF in the Exporting Countries. On February 11, 2021 copy of the full text of the written application along with Exporter’s Questionnaire was also sent to Diplomatic Missions of Indonesia and Thailand in Islamabad with a request to forward it to all exporters/producers involved in production and sale /export of PSF from their respective country. The Commission sent copy of full text of the written application (non-confidential version) and Exporter’s Questionnaire, to the exporters /producers of PSF in Chinese Taipei through its Mission to WTO through Pakistan’s Mission to WTO in Geneva. The Importer’s Questionnaire was also sent to the importers of PSF on February 11, 2021.

14. Investigated Product, Domestic Like Product and Like Product:

14.1 Section 2 of the Act defines investigated product, domestic like product and like product as follows:

- i. **Investigated Product:**
“a product, which is subject to an antidumping investigation as described in the notice of initiation of the investigation”.
- ii. **Domestic Like Product:**
“means a like product that is produced by the domestic industry”.
- iii. **Like Product:**
“a product which is alike in all respects to an investigated product or, in the absence of such a product, another product which, although not alike in all respects, has characteristics closely resembling those of the investigated product”.

14.2 For the purposes of this investigation and given the definitions set out above, investigated product, domestic like product and like product are identified as follows:

14.3 Investigated Product:

14.3.1 The investigated product is Polyester Staple Fibre (Not Exceeding 2.0 Denier & Excluding Colored Polyester Staple Fiber and Regenerated Polyester Staple Fiber) originating in and/or exported from the Exporting Countries to Pakistan. It is classified under PCT Code No. 5503.2010. It is generally used in production of blended yarn and pure polyester sewing thread. The blended yarn is used to produce woven and knitted fabrics. Tariff structure during the POI on import of PSF is given in the following table:

**Table – III
Tariff Structure of Polyester Staple Fiber during the POI**

PCT Code	Description	CD	ACD	RD	Concessions/ FTA Rates
(1)	(2)	(3)	(4)	(5)	(6)
5503.2010	Synthetic staple fibers, not carded, combed or otherwise processed for spinning -of polyesters --- of polyesters not exceeding 2.22 decitex	11%	2%*	0%	Fifth sch Pt_III CD 7%, SAFTA 5%

* exempted in 5th schedule

14.4 Domestic Like Product:

14.4.1 Under the Section 2(f) of the Act, “Domestic Like Product” means a like product that is produced by the domestic industry.

14.4.2 The domestic like product is Polyester Staple Fibre (Not Exceeding 2.0 Denier & Excluding Colored Polyester Staple Fiber and Regenerated Polyester Staple Fiber), produced by the domestic industry. The domestic like product is also classified under PCT No. 5503.2010. The domestic like product is generally used in production of blended yarn and Pure Polyester sewing thread. The blended yarn is used to produce woven and knitted fabrics Major uses of the domestic like product are, therefore, identical to those of the investigated product.

14.5 Like Product:

Polyester Staple Fibre (Not Exceeding 2.0 Denier & Excluding Colored Polyester Staple Fiber and Regenerated Polyester Staple Fiber) produced by the domestic industry and imported from the Exporting Countries is comparable in terms of physical and chemical characteristics,

product specifications, chemical formulation, end uses and tariff classification of the goods etc. Investigated product and domestic like product are technically and commercially identical. Domestically produced PSF and imported PSF are classified under the same PCT/HS Heading No. 5503.2010.

14.6 In light of the above, the Commission has determined that the investigated product and the domestic like product are like products.

15. **Period of Investigation:**

15.1 In terms of Section 36 of the Act, Period of Investigation (“POI”) is:

- i. *“for the purposes of an investigation of dumping, an investigation period shall normally cover twelve months preceding the month of initiation of the investigation for which data is available and in no case the investigation period shall be shorter than six months.”*
- ii. *“for the purposes of an investigation of injury, the investigation period shall normally cover thirty-six months:*

“Provided that the Commission may at its sole discretion, select a shorter or longer period if it deems it appropriate in view of the available information regarding domestic industry and an investigated product”.

15.2 The Commission received the application on December 14, 2020 and initiated the investigation on February 06, 2021. The Applicants have provided the data /information and evidences up till September 30, 2020 in the application. Therefore, to fulfill the requirement of Section 36 of the Act, the POI selected by the Commission for determination of dumping and injury are, as follows:

For determination of dumping:	From October 01, 2019 to September 30, 2020
For determination of injury:	From October 01, 2017 to September 30, 2020

16. **Information/Data Gathering:**

16.1 As stated earlier, the Commission sent questionnaires on February 11, 2021 to the Diplomatic Missions of the Exporting Countries in Islamabad with a request to forward it to all exporters/ producers of the investigated product in their respective country. Exporter’s questionnaire was also sent directly to exporters/ producers in the Exporting Countries whose addresses were available to the Commission on February 11, 2021 for collection of data and information necessary for this investigation. The exporters/ producers were asked to supply information within 37 days of the dispatch of questionnaire.

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16.2 The following six exporters/ producers responded to the Commission's request for supplying information on the prescribed Exporter's Questionnaire and requested for extension in time period (beyond 37 days) for submission of information:

- (a) Chung Shing Textile Marketing Limited, Chinese Taipei;
- (b) PT. Indorama Polychem, Indonesia;
- (c) PT. Indorama Synthetics TBK, Indonesia;
- (d) Indorama Polyester Industries Public Company Limited, Thailand;
- (e) Kangwal Polyester Co. Limited, Thailand; and
- (f) Sunflag Thailand Limited, Thailand.

16.3 After taking into account the due cause shown by these exporters/ producers in their requests, the Commission acceded to their requests and granted extension in time period for submission of information on Exporter's Questionnaire till April 30, 2021. Filled-in Exporter's Questionnaires from these exporters were received at the Commission on April 30, 2021. Upon examination of the information received from these exporters/ producers, certain deficiencies were found in the information supplied. These deficiencies were communicated to the exporters/ producers and were requested to supply the deficient information. The same was provided to the Commission.

16.4 The Commission also sent Questionnaire on May 03, 2021 to M/s Rupali Polyester (Pvt) Limited, which is other domestic producer of PSF. Rupali Polyester (Pvt) Ltd provided the data /information to the Commission on May 21, 2021

16.5 On February 11, 2021 questionnaires were sent to Pakistani importers of the investigated product known to the Commission and the importers were asked to respond to the Commission within 37 days of the dispatch of the questionnaires. Following importers provided the data to the Commission:

- (a) M/s Feroze 1888 Mills Limited;
- (b) M/s Naveena Group Export Limited;
- (c) M/s Master Textile Mills Limited;
- (d) M/s Masood Textiles Mills Limited;
- (e) M/s N.M Corporation Private Limited;
- (f) M/s Nishat Chunian Limited;
- (g) M/s Fazal Cloth Mills Limited; and
- (h) M/s Ahmed Fine Textile Mills Limited.
- (i) M/s Ali Nawaz Textile (Pvt.) Limited.

16.6 No other exporters /producers from the Exporting Countries other than those mentioned in para-16.2 supra and importers mentioned above have responded to the Commission and did not provide requisite information within stipulated time period. Therefore, letters were issued to

the non-cooperating exporters /producers and importers on June 15, 2021 explaining that, as they have not provided the requisite data /information in response to the questionnaire, therefore, Commission is constrained to make preliminary and final determination in this investigation on the basis of “Best Information Available” in terms of Section 32 of the Act.

16.7 The Commission has access to database of import statistics of Pakistan Revenue Automation Limited (“PRAL”), the data processing arm of the Federal Board of Revenue, Government of Pakistan. For the purpose of this final determination the Commission has used import data obtained from PRAL in addition to the information provided by the Applicants, the exporters and the importers.

16.8 Interested parties were also invited to make their views/comments and submit information (if any) relevant to this investigation within 45 days of initiation of investigation. Ministry of Trade, Government of Indonesia and Khyber-Pakhtunkhwa Textiles Mills Association have filed comments which have also been considered in this investigation.

16.9 Thus, the Commission has sought from all available sources the relevant data and information deemed necessary for the purposes of final determination of dumping and injury therefrom in this investigation.

17. **Questionnaire(s) Response from Chinese Taipei:**

Questionnaire Response by Chung Shing Textile Marketing Limited, Chinese Taipei

17.1 The Commission sent the Exporter’s Questionnaire to Chung Shing Textile Marketing Limited, Chinese Taipei (“Chung Shing”) on February 11, 2021. Chung Shing in its e-mail dated April 09, 2021 applied to the Commission for extension of 37 days in the time period for submission of response to questionnaire. The Commission after considering the reasons given in their request for extension, granted extension for 25 days vide its letter/email dated April 09, 2021. Chung Shing vide its e-mail dated April 14, 2021 again requested the Commission for extension of time period for submission of response to questionnaire. The Commission after considering the reasons given in the request for extension, granted extension for 15 days vide its letter/email dated April 19, 2021. Chung Shing response was received in the Commission on April 29, 2021.

17.2 The information submitted by Chung Shing in response to the questionnaire was analyzed at the Commission and certain deficiencies were identified. Accordingly, those deficiencies were communicated to Chung Shing vide the Commission’s letter dated May 31, 2021. Chung Shing was asked to provide the deficient data / information by June 07, 2021. Chung Shing responded to the deficiencies vide its e-mail dated June 15, 2021. The information provided by Chung Shing in response to deficiency letter was analyzed and again found deficient. The Commission again communicated the data deficiencies to Chung Shing on June 17, 2021. Chung Shing

responded to the second deficiencies letter on June 25, 2021. However, the same was still deficient and the Commission vide its letter dated July 01, 2021 again asked Chung Shing to provide the deficient data /information. Chung Shing response in this regard was received on July 08, 2021 which was still deficient. The Commission again requested on October 22, 2021 Chung Shing to provide deficient data and informed that in case it failed to provide requisite data/information, the Commission will be constrained to use “Best Information Available” in terms of Section 32 of the Act. However, Chung Shing failed to provide requisite deficient data/information to the Commission.

18. **Questionnaire(s) Response from the Republic of Indonesia:**

18.1 **Questionnaire Response by PT. Indorama Polychem, Indonesia**

18.1.1 The Commission sent Exporter’s Questionnaire to P.T. Indorama Polychem, Indonesia (“Indorama Polychem”) on February 11, 2021. Indorama Polychem requested the Commission vide its letter dated March 18, 2021 for 30 days extension in time period for submission of data /information in response to questionnaire. The Commission granted extension for two weeks vide its letter dated March 29, 2021 after considering the reasons given in the request for extension. Indorama Polychem vide its letter dated April 02, 2021 again requested the Commission for 14 days extension in time period for submission of response to questionnaire. The Commission after considering the reasons given in the request for extension granted 10 days extension vide its letter dated April 09, 2021. Indorama Polychem vide its letter dated April 12, 2021 requested the Commission for extension of time period for submission of response to questionnaire for further two weeks. The Commission after considering the reasons given in the request for extension granted final extension for two weeks vide its letter dated April 19, 2021. Indorama Polychem’s response was received in the Commission on April 30, 2021.

18.1.2 The information submitted by Indorama Polychem in response to the questionnaire was analyzed at the Commission and certain deficiencies were identified. Accordingly, those data deficiencies were communicated to it vide Commission’s letter dated June 16, 2021. Indorama Polychem was asked to provide the deficient data /information no later than 09 days so as to enable the Commission to consider and analyze the same for the purposes of this investigation. Indorama Polychem responded to the deficiencies vide its letter dated June 25, 2021. However, the same was still deficient and the Commission vide its letter dated July 08, 2021 asked for the deficient data/ information. Indorama Polychem’s response to deficiencies was received on July 13, 2021.

18.2 **Questionnaire Response by PT. Indorama Synthetics TBK, Indonesia**

18.2.1 The Commission sent Exporter’s Questionnaire to P.T. Indorama Synthetics TBK, Indonesia (“Indorama Synthetics”) on February 11, 2021. Indorama Synthetics requested the Commission for 30 days extension in time period for submission of data /information vide its

letter dated March 18, 2021. The Commission granted extension for two weeks vide its letter dated March 29, 2021 after considering the reasons given in the request for extension. Indorama Synthetics vide its letter dated April 02, 2021 again requested the Commission for extension of time period for submission of response to questionnaire for two weeks. The Commission after considering the reasons given in the request for extension, granted 10 days extension vide its letter dated April 09, 2021. Indorama Synthetics vide its letter dated April 12, 2021 once again requested the Commission for extension in time period for submission of response to questionnaire for another two weeks. The Commission after considering the reasons given in the request for extension granted final two weeks extension vide its letter dated April 19, 2021. Indorama Synthetics' response was received in the Commission on April 30, 2021.

18.2.2 The information submitted by Indorama Synthetics in response to the questionnaire was analyzed at the Commission and certain deficiencies were identified. Accordingly, those data deficiencies were communicated to it vide Commission's letter dated June 16, 2021. Indorama Synthetics was asked to provide the deficient data /information no later than 09 days, so as to enable the Commission to consider and analyze the same for the purposes of this investigation. Indorama Synthetics responded to the deficiencies vide its letter dated June 25, 2021. However, the same was still deficient and the Commission vide its letter dated July 08, 2021 again communicated deficiencies in data /information. Indorama Synthetics' response addressing deficiencies was received on July 13, 2021.

19. Questionnaire(s) Response from the Kingdom of Thailand:

19.1 Questionnaire Response by Indorama Polyester Industries Public Company Limited, Thailand

19.1.1 The Commission sent Exporter's Questionnaire to Indorama Polyester Industries Public Company Limited, Thailand ("Indorama Polyester") on February 11, 2021. Indorama Polyester requested the Commission for 30 days extension of time period for submission of response to questionnaire vide its letter dated March 18, 2021. The Commission granted extension for two weeks vide its letter dated March 29, 2021 after considering the reasons given in the request for extension. Indorama Polyester vide its letter dated April 02, 2021 again requested the Commission for two weeks extension in time period for submission of response to questionnaire. The Commission after considering the reasons given in the request for extension granted 10 days extension vide its letter dated April 09, 2021. Indorama Polyester vide its letter dated April 12, 2021 again requested the Commission for two weeks extension in time period for submission of response to questionnaire. The Commission after considering the reasons given in the request for extension granted final two weeks extension vide its letter dated April 19, 2021. Indorama Polyester response was received in the Commission on April 30, 2021.

19.1.2 The information submitted by Indorama Polyester in response to the questionnaire was analyzed at the Commission and certain deficiencies were identified. Accordingly, those data

deficiencies were communicated to it vide Commission's letter dated June 16, 2021. Indorama Polyester was asked to provide the deficient information/data no later than 09 days, so as to enable the Commission to consider and analyze the same for the purposes of this investigation. Indorama Polyester responded to the deficiencies vide its letter dated June 25, 2021. However, the same was still deficient and the Commission vide its letter dated July 08, 2021 asked for the deficient data /information. Indorama Polyester's response addressing deficiencies in this regard was received on July 13, 2021.

19.2 Questionnaire Response by Kangwal Polyester Co. Limited, Thailand

19.2.1 The Commission sent Exporter's Questionnaire to Kangwal Polyester Co. Limited, Thailand ("Kangwal Polyester") on February 11, 2021. Kangwal Polyester requested the Commission vide its letter dated March 18, 2021 for 30 days extension in time period for submission of response to questionnaire. The Commission granted two weeks extension for providing data/ information on Exporter's Questionnaire vide its letter dated March 29, 2021 after considering the reasons given in the request for extension. Kangwal Polyester vide its letter dated April 02, 2021 again requested the Commission for another two weeks extension of time period for submission of response to questionnaire. The Commission after considering the reasons given in the request for extension granted 10 days extension vide its letter dated April 09, 2021. Kangwal Polyester vide its letter dated April 12, 2021 requested the Commission for further two weeks extension in time period for submission of response to questionnaire. The Commission after considering the reasons given in the request for extension, granted final two weeks extension vide its letter dated April 19, 2021. Kangwal Polyester response was received in the Commission on April 30, 2021.

19.2.2 The information submitted by Kangwal Polyester in response to the questionnaire was analyzed at the Commission and certain deficiencies were identified. Accordingly, those data deficiencies were communicated to it vide Commission's letter dated June 16, 2021. Kangwal Polyester was asked to provide the deficient information/data no later than 09 days, so as to enable the Commission to consider and analyze the same for the purposes of this investigation. Kangwal Polyester responded to the deficiencies vide its letter dated June 25, 2021.

19.3 Questionnaire Response by Sunflag Thailand Limited, Thailand

19.3.1 The Commission sent Exporter's Questionnaire to Sunflag Thailand Limited, Thailand ("Sunflag") on February 11, 2021. Sunflag requested the Commission, vide its e-mail dated March 16, 2021 for extension in time period for 30 days submission of response to questionnaire. The Commission granted two weeks extension vide its letter dated March 29, 2021 after considering the reasons given in the request for extension. Sunflag vide its e-mail dated April 03, 2021 again requested the Commission for another 15 days extension in time period for submission of response to questionnaire. The Commission after considering the reasons given in

the request for extension, granted 10 days extension vide its letter dated April 09, 2021. Sunflag response was received in the Commission on April 15, 2021.

19.3.2 The information submitted by Sunflag in response to the questionnaire was analyzed at the Commission and certain deficiencies were identified. Accordingly, those data deficiencies were communicated to it vide Commission's letter dated June 16, 2021. Indorama Polyester was asked to provide the deficient data /information no later than 09 days so as to enable the Commission to consider and analyze the same for the purposes of this investigation. Sunflag responded to the deficiencies vide its letter dated July 01, 2021. However, the same was still deficient and the Commission vide its letter dated July 08, 2021 asked for the deficient information. Sunflag's response addressing deficiencies was received on July 13, 2021.

20. Verification of the Information:

20.1 In terms of Sections 32(4) and 35 of the Act and Rule 12 of the Rules, during the course of an antidumping investigation, the Commission is required to satisfy itself as to the accuracy of the data /information provided to it and to verify the data/ information supplied by the interested parties. Accordingly, the Commission has satisfied itself as to the accuracy and adequacy of information supplied by the interested parties to the extent possible for the purposes of this investigation.

20.2 The officers of the Commission conducted on-the-spot verification at the office(s) and plant(s) of the Applicants and M/s Rupali Polyester Ltd., in the Sunset and Change Circumstances Reviews of antidumping duties imposed on dumped imports of PSF from China and verified their respective data for the period from July 1, 2017 to June 30, 2020. Since, in this investigation, the POI for injury determination is from October 2017 to September 2020 and data for the period from July 1, 2017 to June 30, 2020 (33 out of 36 months of POI) was already verified, therefore, the Commission did not conduct on-the-spot investigation at the premises of Applicants and Rupali Polyester Ltd. in this investigation. However, desk verification was conducted to verify the data /information provided by the Applicants for the quarter July - September 2021.

20.3 In order to verify the data/information provided by the exporters /foreign producers of PSF in response to Exporter's Questionnaire, a team of the Commission officers conducted on-the-spot investigations at the offices of PT. Indorama Polychem, Indonesia; PT. Indorama Synthetics TBK, Indonesia; Indorama Polyester Industries Public Company Limited, Thailand; Kangwal Polyester Co. Limited, Thailand; and Sunflag Thailand Limited, Thailand from November 21 to December 02, 2021. The Commission finalized the non-confidential reports of the verification and placed the same in the public file.

21. **Public File:**

The Commission, in accordance with Rule 7 of the Rules, has established and maintained a public file at its office. This file remains available to the interested parties for review and copying from Monday to Thursday between 1100 hours to 1300 hours throughout the investigation (except public holidays). This file contains non-confidential versions of the application, responses to the questionnaires, submissions, notices, correspondence and other documents for disclosure to the interested parties.

22. **Confidentiality:**

22.1 In terms of Section 31 of the Act, the Commission shall keep confidential any information submitted to it, which is by nature confidential, or determined by the Commission to be of confidential nature for any other reason, or provided as confidential by parties to an investigation, upon good cause shown to be kept confidential.

22.2 The Applicants have requested to keep confidential the information, which is by nature confidential in terms of Section 31 of the Act. This information includes data relating to sales, sale prices, cost to make and sell, inventories, production, profit/(loss), return on investment, cash flow, growth, investment, salaries & wages, number of employees and capacity.

22.3 On the basis of request made by the Applicants, the Commission has determined the confidentiality in light of Section 31 of the Act and for the reasons that disclosure of such information may be of significant competitive advantage to a competitor, or because its disclosure would have a significant adverse effect upon the interested parties providing such information. Therefore, the Commission kept all such information confidential for which the Applicants made a request to keep it confidential.

22.4 However, in terms of Sub-Section (5) of Section 31, non-confidential summaries of all confidential information, which provides reasonable understanding of the substance, have been placed in public file.

23. **Preliminary Determination:**

23.1 The Commission made preliminary determination in this investigation on August 04, 2021 and determined that the Commission is satisfied that the investigated product is imported from the Exporting Countries at dumped prices and such dumping caused injury to the domestic industry. However, the Commission was of the view that the imposition of provisional antidumping duty on dumped imports of the investigated product was not necessary to prevent injury being caused to the domestic industry during the course of investigation in accordance with Section 43 of the Act.

23.2 The Commission issued a notice of preliminary determination, which was published in Official Gazette of Pakistan and in two widely circulated national newspapers (the “The Nation” and “Daily Jang”) on August 04, 2021 in accordance with Section 37 (4) of the Act.

23.3 On August 04, 2021 the Commission also sent copy of the notice of preliminary determination to the Diplomatic Missions of the Exporting Countries, the exporters, the importers, domestic producers and the Applicants in accordance with the requirements of Section 37(4) of the Act. The report (non-confidential version) of the preliminary determination was placed in the public file maintained at the Commission and was also posted on Commission’s website www.ntc.gov.pk.

24. **Disclosure Meeting:**

The officers of the Commission on requests made by cooperating exporters/ producers of PSF from Indonesia and Thailand held separate meetings on August 24, 2021 with their representatives to explain the methodology used in calculations of their respective dumping margins. In the said meetings copies of dumping calculations /methodologies were also provided to the representatives of exporters/ producers of PSF from Indonesia and Thailand.

25. **Views/Comments:**

25.1 All interested parties were invited to make their views/comments known to the Commission and to submit information and documents (if any) with regard to this investigation. The Commission received written submissions/comments from Government of Indonesia and Khyber-Pakhtunkhwa Textiles Mills Association. The views /comments submitted by Government of Indonesia and Khyber-Pakhtunkhwa Textiles Mills Association on preliminary determination made by the Commission are on the following issues:

- (a) standing of M/s ICI Pakistan Ltd.;
- (a) determination of Normal Value; and
- (b) material injury to the domestic industry due to imports of PSF from Indonesia

25.2 The views/comments received from interested parties are duly considered by the Commission while making this final determination. Views/Comments of the interested parties germane to this investigation and response of the Commission are provided at Annex-I of this report.

26. **Hearing:**

In terms of Rule 14 of the Rules, the Commission shall, upon request by an interested party made not later than thirty days after publication of notice of preliminary determination, hold a hearing at which all interested parties may present arguments and submit information.

None of the interested parties requested for hearing in this investigation. Therefore, no hearing was held in this investigation.

27. Disclosure of Essential Facts:

27.1 In terms of Rules 14(8) of the Rules and Article 6.9 of Anti-dumping Agreement, the Commission disclosed essential facts to the interested parties in this investigation. In this context a Statement of Essential Facts (“SEF”) was dispatched on January 04, 2022 to all interested parties including the known exporters/ foreign producers, the Applicant, known Pakistani importers, the Diplomatic Missions of Indonesia and Thailand in Islamabad and Mission of Chinese Taipei to WTO through Pakistan’s Mission to WTO in Geneva.

27.2 Under Rule 14(9) of the Rules, the interested parties were required to submit their comments (if any) on the facts disclosed in SEF, in writing, not later than fifteen days of such disclosure. The Commission has received any comments on essential facts from the following interested parties:

- (a) Government of the Republic of Indonesia;
- (b) All Pakistan Textiles Mills Association;
- (c) Khyber-Pakhtunkhwa Textiles Mills Association;
- (d) JK Spinning Mills Limited;
- (e) Premium Textile Mills
- (f) Sana Industries Limited;
- (g) North Star Textiles Limited;
- (h) Master Textile Mills Limited;
- (i) NM Corporation Private Limited; and
- (j) Colony Textiles Mills;

27.3 Views/comments presented by interested parties in response to the SEF are duly considered by the Commission while making this final determination. Views/ Comments of the interested parties germane to this investigation and response of the Commission are provided at Annexure-I of this report.

B. DETERMINATION OF DUMPING

28. Dumping:

In terms of Section 4 of the Act dumping is defined as follows:

“an investigated product shall be considered to be dumped if it is introduced into the commerce of Pakistan at a price which is less than its normal value”.

29. Normal Value:

29.1 In terms of Section 5 of the Act “normal value” is defined as follows:

“a comparable price paid or payable, in the ordinary course of trade, for sales of a like product when destined for consumption in an exporting country”.

29.2 Further, Section 6 of the Act states:

“(1) when there are no sales of like product in the ordinary course of trade in domestic market of an exporting country, or when such sales do not permit a proper comparison because of any particular market situation or low volume of the sales in the domestic market of the exporting country, the Commission shall establish normal value of an investigated product on the basis of either:

“a) the comparable price of the like product when exported to an appropriate third country provided that this price is representative; or

“b) the cost of production in the exporting country plus a reasonable amount for administrative, selling and general costs and for profits.

“(2) Sales of a like product destined for consumption in domestic market of an exporting country or sales to an appropriate third country may be considered to be a sufficient quantity for the determination of normal value if such sales constitute five per cent or more of the sales of an investigated product to Pakistan:”.

29.3 Ordinary course of trade is defined in Section 7 of the Act as follows:

“(1) The Commission may treat sales of a like product in domestic market of an exporting country or sales to a third country at prices below per unit, fixed and variable, cost of production plus administrative, selling and other costs as not being in the ordinary course of trade by reason of price and may disregard such sales in determining normal value only if the Commission determines that such sales were made –

“(a) within an extended period of time which shall normally be a period of one year and in no case less than a period of six months;

“(b) in substantial quantities; and

“(c) at prices which do not provide for the recovery of all costs within a reasonable period of time.

“(2) For the purposes of sub-clause (b) of sub-section (1), sales below per unit cost shall be deemed to be in substantial quantities if the Commission establishes that –

“(a) a weighted average selling price of transactions under consideration for the determination of normal value is below a weighted average cost; or

“(b) *the volume of sales below per unit cost represents twenty per cent or more of the volume sold in transactions under consideration for the determination of normal value.*

“(3) *If prices which are below per unit cost at the time of sale are above the weighted average cost for the period of investigation, the Commission shall consider such prices as providing for recovery of costs within a reasonable period of time.*”

30. **Export Price:**

The “export price” is defined in Section 10 of the Act as “*a price actually paid or payable for an investigated product when sold for export from an exporting country to Pakistan*”.

31. **Dumping Determination:**

31.1 As stated earlier the Applicants identified 41 exporters /producers from the Exporting Countries involved in dumping of the investigated product. The Commission sent questionnaires to 41 exporters/producers whose complete addresses were available with the Commission. A copy of the questionnaire was also provided to the embassies of the Exporting Countries in Islamabad with a request to forward it to all exporters /producers of the investigated product based in the Exporting Countries to submit information to the Commission.

31.2 The Commission received data /information in response to the questionnaires from the following exporters/producers of PSF from the Exporting Countries:

- (a) Chung Shing Textile Marketing Limited, Chinese Taipei;
- (b) PT. Indorama Polychem, Indonesia;
- (c) PT. Indorama Synthetics TBK, Indonesia;
- (d) Indorama Polyester Industries Public Company Limited, Thailand;
- (e) Kangwal Polyester Co. Limited, Thailand; and
- (f) Sunflag Thailand Limited, Thailand.

31.3 Normal value, export price and individual dumping margins for the above-mentioned exporters /producers have been determined in accordance with Part III, IV and V of the Act on the basis of the information provided by them. However, dumping margin /duty rate for all other non-cooperating exporters /producers from the Exporting Countries has been determined on the basis of the best information available.

32. **Determination of Export Price for Chung Shing Textile Marketing Limited (“Chung Shing”)**

32.1 Export price for Chung Shing has been determined on the basis of the information provided by Chung Shing on its export sales of PSF to Pakistan made during the POI.

32.2 According to the information, Chung Shing exported *** MT of PSF to all export markets including Pakistan. It exported *** MT of the investigated product to Pakistan during the POI. Chung Shing exported different types of the investigated product to Pakistan during the POI. Export sales to Pakistan, during POI were made through an un-related sales agent i.e. Avon Commercial Corporation, Karachi.

32.3 Chung Shing exported investigated product at CIF basis. To arrive at the ex-factory level, Chung Shing has reported adjustments on account of commission, ocean freight, insurance and customs fee. The Commission accepted these adjustments and the export price at ex-factory level has been worked out by deducting values reported for these adjustments from CIF value of the export sales during the POI for dumping. Summary of calculations of export price is placed at Annexure - II.

33. **Determination of Normal Value for Chung Shing**

33.1 Normal value for Chung Shing has been determined on the basis of the information provided by Chung Shing on its domestic sales of PSF made during the POI.

33.2 According to the information, Chung Shing sold different types of PSF in its domestic market including the types, which were alike to the types of the investigated product exported to Pakistan during the POI. Chung Shing sold *** MT in the domestic market during POI. Chung Shing also provided monthly ex-factory price list of different types of PSF. As the prices of raw materials of PSF fluctuated significantly during the POI and Chung Shing did not provide monthly cost to make & sell of the investigated product. Therefore, the Commission used monthly price lists for determination of normal value for the purposes of this final determination. For the purposes of like for like comparison, normal value (price list) is determined only for those types which were comparable to the types of the investigated product exported to Pakistan during POI. Monthly price list of Chung Shing is placed at Annexure - III.

34. **Determination of Export Price for PT. Indorama Polychem, Indonesia (“Indorama Polychem”)**

34.1 Export price for Indorama Polychem has been determined on the basis of the information provided by Indorama Polychem on its export sales of PSF to Pakistan made during the POI.

34.2 According to the information, Indorama Polychem exported *** MT of PSF to all export markets including Pakistan. It exported *** MT of the investigated product to Pakistan during the POI. Indorama Polychem exported different types of the investigated product to Pakistan during the POI. Export sales of PSF to Pakistan, during POI, were directly to unrelated customers and through un-related sales agent.

34.3 Indorama Polychem exported investigated product at CIF basis. To arrive at the ex-factory level, Indorama Polychem has reported adjustments on account of credit cost, commission, inland freight, ocean freight, insurance and bank charges. The Commission accepted these adjustments and the export price at ex-factory level has been worked out by deducting values reported for these adjustments from CIF value of the sales transactions. Summary of calculations of export price is placed at Annexure - IV.

35. Determination of Normal Value for Indorama Polychem

35.1 Normal value for Indorama Polychem has been determined on the basis of the information provided by Indorama Polychem on its domestic sales of PSF made during the POI.

35.2 According to the information, Indorama Polychem sold different types of PSF in its domestic market including the types, which were alike to the types of the investigated product exported to Pakistan during the POI. Indorama Polychem sold *** MT of PSF in its domestic market during the POI. These sales were in sufficient quantities to determine normal value in terms of Section 6(2) of the Act, as these sales were more than 5 percent of the export sales of the investigated product exported to Pakistan during the POI. For the purposes of like for like comparison, normal value has been determined only for those types which were comparable to the types of the investigated product exported to Pakistan.

35.3 Analysis of the information provided by Indorama Polychem revealed that some sales of the comparable types of PSF during the POI were not in ordinary course of trade in terms of Section 7(2) of the Act. Sales of the comparable types, which were not in ordinary course of trade ranged from 21.00 percent to 70.28 percent of sales of a particular type of PSF. For the purposes of determination of normal value the Commission has disregarded sales which were not in ordinary course of trade in accordance with Section 7 of the Act.

35.4 To arrive at the ex-factory level from delivered price, Indorama Polychem has reported adjustment on account of credit cost, inland freight, bank charges, exchange loss and insurance. The Commission accepted these adjustments and the normal value at ex-factory level has been worked out by deducting values reported for this adjustment from delivered price of sales transactions. Summary of calculations of normal value is placed at Annexure - V.

36. **Determination of Export Price for PT. Indorama Synthetics TBK, Indonesia (“Indorama Synthetics”)**

36.1 Export price for Indorama Synthetics has been determined on the basis of the information provided Indorama Synthetics on its export sales of PSF to Pakistan made during the POI.

36.2 According to the information, Indorama Synthetics exported *** MT of PSF to all export markets including Pakistan. It exported *** MT of the investigated product to Pakistan during the POI. Indorama Synthetics exported different types of the investigated product to Pakistan during the POI. Export sales of PSF to Pakistan, during POI, were directly to unrelated customers.

36.3 Indorama Synthetics exported investigated product at CIF basis. To arrive at the ex-factory level, Indorama Synthetics has reported adjustments on account of credit cost, inland freight, ocean freight, insurance and bank charges. The Commission accepted these adjustments and the export price at ex-factory level has been worked out by deducting values reported for these adjustments from CIF value of the sales transactions. Summary of calculations of export price is placed at Annexure - VI.

37. **Determination of Normal Value for Indorama Synthetics**

37.1 Normal value for Indorama Synthetics has been determined on the basis of the information provided by Indorama Synthetics on its domestic sales of PSF made during the POI.

37.2 According to the information, Indorama Synthetics sold different types of PSF in its domestic market including the types, which were alike to the types of the investigated product exported to Pakistan during the POI. Indorama Synthetics sold *** MT in the domestic market during POI. These sales were in sufficient quantities to determine normal value in terms of Section 6(2) of the Act, as these sales were more than 5 percent of the export sales of the investigated product exported to Pakistan during the POI. For the purposes of like for like comparison, normal value has been determined only for those types which were comparable to the types of the investigated product.

37.3 Analysis of the information provided by Indorama Synthetics revealed that some sales of the comparable types of PSF during the POI were not in ordinary course of trade in terms of Section 7(2) of the Act. Sales of the comparable types, which were not in ordinary course of trade ranges from 22.70 percent to 100 percent of sales of a particular type of PSF. For the purposes of determination of normal value the Commission has disregarded sales, which were not in ordinary course of trade in accordance with Section 7 of the Act. Therefore, normal value for those types of PSF whose 100 percent domestic sales were not in ordinary course of trade has been constructed on the basis of cost of production plus administrative, selling and general costs

and for profit of *** percent (actual profit margin of Indorama Synthetics) of the investigated product of the exporter /producer in accordance with Section 6 of the Act.

37.4 To arrive at the ex-factory level from delivered price, Indorama Synthetics has reported adjustment on account of credit cost, inland freight, insurance, exchange loss and bank charges. The Commission accepted these adjustments and the normal value at ex-factory level has been worked out by deducting values reported for these adjustments from the delivered price of domestic sales transactions. Summary of calculations of normal value is placed at Annexure - VII.

38. **Determination of Export Price for Indorama Polyester Industries Public Company Limited, Thailand (“Indorama Polyester”)**

38.1 Export price for Indorama Polyester has been determined on the basis of the information provided by Indorama Polyester on its export sales of PSF to Pakistan made during the POI.

38.2 According to the information, Indorama Polyester exported *** MT of PSF to all export markets including Pakistan. It exported *** MT of the investigated product to Pakistan during the POI. Indorama Polyester exported different types of the investigated product to Pakistan during the POI. Export sales to Pakistan, during POI, were directly to unrelated customers and through un-related sales agents.

38.3 Indorama Polyester exported investigated product at C&F basis. To arrive at the ex-factory level, Indorama Polyester has reported adjustments on account of commission, credit cost, inland freight, ocean freight, handling cost, duty draw back, bank charges and others (incentive collection service charges, seal fee and customer service charges). The Commission accepted these adjustments and the export price at ex-factory level has been worked out by deducting values reported for these adjustments from C&F value of the export sales transactions. Summary of calculations of export price is placed at Annexure - VIII.

39. **Determination of Normal Value for Indorama Polyester**

39.1 Normal value for Indorama Polyester has been determined on the basis of the information provided by Indorama Polyester on its domestic sales of PSF made during the POI.

39.2 According to the information, Indorama Polyester sold different types of PSF in its domestic market including the types, which were alike to the types of the investigated product exported to Pakistan during the POI. Indorama Polyester sold *** MT in the domestic market during POI. These sales were in sufficient quantities to determine normal value in terms of Section 6(2) of the Act, as these sales were more than 5 percent of the export sales of the investigated product exported to Pakistan during the POI. For the purposes of like for like

comparison, normal value has been determined only for those types of PSF which were comparable to the types of the investigated product.

39.3 Analysis of the information provided by Indorama Polyester revealed that some sales of the comparable types of PSF during the POI were not in ordinary course of trade in terms of Section 7(2) of the Act. Sales of the comparable types of PSF, which were not in ordinary course of trade ranges from 20.37 percent to 100 percent of sales of a particular type.

39.4 For the purposes of determination of normal value the Commission has disregarded domestic sales, which were not in ordinary course of trade in accordance with Section 7 of the Act. Therefore, normal value for those types whose 100 percent sales in domestic market during the POI were not in ordinary course of trade has been constructed on the basis of cost of production plus administrative, selling and general costs and for profit of *** percent (actual profit margin of Indorama Polyester) of the investigated product of the of the exporter/producer in accordance with Section 6 of the Act.

39.5 To arrive at the ex-factory level from delivered price, Indorama Polyester has reported adjustment on account of credit cost, commission, inland freight, insurance, bank charges and other (cost of credit insurance). The Commission has accepted these adjustments and the normal value at ex-factory level has been worked out by deducting values reported for these adjustments from the delivered price of sales transactions. Summary of calculations of normal value is placed at Annexure - IX.

40. **Determination of Export Price for Kangwal Polyester Co. Limited, Thailand (“Kangwal Polyester”)**

40.1 Export price for Kangwal Polyester has been determined on the basis of the information provided by Kangwal on its export sales of PSF to Pakistan made during the POI.

40.2 According to the information, Kangwal Polyester exported *** MT of PSF to all export markets including Pakistan. It exported *** MT of the investigated product to Pakistan during the POI (in the months of Jan, Feb, Apr, May, Jun, Jul, Aug 2020). Kangwal Polyester exported different types of the investigated product to Pakistan during the POI. Export sales to Pakistan, during the POI, were through un-related sale agent i.e. English Fibre and Yarn, Karachi.

40.3 Kangwal Polyester exported investigated product at C&F basis. To arrive at the ex-factory level, Kangwal Polyester has reported adjustments on account of commission, credit cost, inland freight, ocean freight, handling cost, duty draw back, others (terminal handling and BL Charges) and bank charges. The Commission accepted these adjustments and the export price at ex-factory level has been worked out by deducting values reported for these adjustments from the C&F value of the export sales transactions. Summary of calculations of export price is placed at Annexure - X.

41. Determination of Normal Value for Kangwal Polyester

41.1 Normal value for Kangwal Polyester has been determined on the basis of the information provided by Kangwal Polyester on its domestic sales of PSF made during the POI.

41.2 According to the information, Kangwal Polyester sold different types of PSF in its domestic market including the types, which were alike to the types of the investigated product exported to Pakistan during the POI. Kangwal Polyester sold *** MT in the domestic market during the POI. These domestic sales were in sufficient quantities to determine normal value in terms of Section 6(2) of the Act, as these sales were more than 5 percent of the export sales of the investigated product exported to Pakistan during the POI. For the purposes of like for like comparison, normal value has been determined only for those types of PSF which were comparable to the types of the investigated product and for the comparable months of export sales to Pakistan.

41.3 Analysis of the information provided by Kangwal Polyester revealed that some domestic sales of the comparable types of PSF were not in ordinary course of trade in terms of Section 7(2) of the Act. Sales of the comparable types during the POI, which were not in ordinary course of trade ranges from 37.69 percent to 66.74 percent of sales of a particular type of PSF. For the purposes of determination of normal value the Commission has disregarded domestic sales, which were not in ordinary course of trade in accordance with Section 7 of the Act.

41.4 To arrive at the ex-factory level from delivered price, Kangwal Polyester has reported adjustment on account of credit cost and inland freight. The Commission has accepted these adjustments and the normal value at ex-factory level has been worked out by deducting values reported for these adjustments from the delivered price of sales transactions. Summary of calculations of normal value is placed at Annexure - XI.

42. Determination of Export Price for Sunflag Thailand Limited, Thailand (“Sunflag”)

42.1 Export price for Sunflag has been determined on the basis of the information provided Sunflag on its export sales of PSF to Pakistan made during the POI.

42.2 According to the information, Sunflag exported *** MT of PSF to all export markets including Pakistan. It exported *** MT of the investigated product to Pakistan during the POI (in the months of Jan, Feb, May, Jun, Jul 2020). Sunflag exported different types of the investigated product to Pakistan during the POI. Export sales to Pakistan, during POI, were to un-related customers.

42.3 Sunflag exported investigated product at C&F basis. To arrive at the ex-factory level, Sunflag has reported adjustments on account of credit cost, inland freight, ocean freight, handling cost, duty draw back, custom fee and bank charges. The Commission accepted these

adjustments and the export price at ex-factory level has been worked out by deducting values reported for these adjustments from C&F value of the export sales transactions. Summary of calculations of export price is placed at Annexure - XII.

43. **Determination of Normal Value for Sunflag**

43.1 Normal value for Sunflag has been determined on the basis of the information provided by Sunflag on its domestic sales of PSF made during the POI.

43.2 According to the information, Sunflag sold different types of PSF in its domestic market including the types, which were alike to the types of the investigated product exported to Pakistan during the POI. Sunflag sold *** MT in the domestic market during POI. These sales were in sufficient quantities to determine normal value in terms of Section 6(2) of the Act, as these sales were more than 5 percent of the export sales of the investigated product exported to Pakistan during the POI. For the purposes of like for like comparison, normal value has been determined only for those types which were comparable to the types of the investigated product and for the comparable months of export sales to Pakistan.

43.3 Analysis of the information provided by Sunflag revealed that some sales of the comparable types of PSF during the POI were not in ordinary course of trade in terms of Section 7(2) of the Act. Sales of the comparable types of PSF, which were not in ordinary course of trade were 100 percent of sales of a particular type.

43.4 For the purposes of determination of normal value the Commission has disregarded domestic sales, which were not in ordinary course of trade in accordance with Section 7 of the Act. Therefore, normal value for those types whose 100 percent sales in domestic market during the POI were not in ordinary course of trade has been constructed on the basis of cost of production plus administrative, selling and general costs and for profit of *** percent (actual profit margin of Sunflag) of the investigated product of the of the exporter/producer in accordance with Section 6 of the Act.

43.5 To arrive at the ex-factory level from delivered price, Sunflag has reported adjustment on account of credit cost and inland freight. The Commission has accepted these adjustments and the normal value at ex-factory level has been worked out by deducting values reported for these adjustments from the delivered price of sales transactions. Summary of calculations of normal value is placed at Annexure - XIII.

44. **Determination of Dumping for Non-cooperating Exporters**

44.1 The Commission determined dumping margin for the exporters/foreign producers who did not cooperate with the Commission and did not supply necessary information has been

determined on the basis of best information available in accordance with Section 32 of the Act. Details are given in following paragraphs.

44.2 Determination of Dumping for Non-cooperating Exporters from Chinese Taipei

A residual dumping margin and antidumping duty rate for all other exporters from Chinese Taipei has been determined on the basis of best available information in terms of Section 32 of the Act, which is the highest rate of dumping for individual exporter who cooperated from Chinese Taipei among the investigated exporters /foreign producers.

44.3 Determination of Dumping for Non-cooperating Exporters from Indonesia

As level of cooperation from Indonesia was very high (exporters who cooperated in this investigation exported almost 100 percent of the investigated product from Indonesia during the POI). A residual dumping margin and antidumping duty rate for all other exporters from Indonesia is determined on the basis of best available information in terms of Section 32 of the Act, which is the highest rate of dumping for an individual exporter who cooperated from Indonesia among the investigated exporters /foreign producers.

44.4 Determination of Dumping for Non-cooperating Exporters from Thailand

44.4.1 Normal value for non-cooperating exporters from Thailand is determined on the basis of the information supplied by Indorama Polyester in response to the questionnaire. The Commission considered that the information supplied by Indorama Polyester was the best information available for the purposes of determination of normal value for non-cooperating exporters on the basis that it was one of the major exporter of the investigated product to Pakistan during the POI.

44.4.2 As information on types and deniers of PSF exported by the non-cooperating exporters are not available, normal value for them has been determined on the basis of Indorama Polyester cost of production plus administrative, selling, general and financial expenses and reasonable profit i.e. 5 percent. Calculations of normal value are placed at Annexure XIV.

44.4.3 Information obtained from PRAL has been used for the purposes of determination of export price for non-cooperating exporters from Thailand. This is the only information available with the Commission on export sales of the investigated product by the non-cooperating exporters. Values in PRAL's information are reported at CIF level. The CIF export price has been adjusted to the ex-factory level. For this purpose same adjustments have been made which were reported by the Indorama Polyester for its own exports of the investigated product. Calculations of export price are placed at Annexure XIV.

45. **Dumping Margin**

45.1 The Act defines “dumping margin” in relation to a product as “*the amount by which normal value exceeds its export price*”.

45.2 Section 12 of the Act provides three methods for fair comparison of normal value and export price in order to establish dumping margin. The Commission has calculated dumping margin by comparing weighted average normal value with weighted average export price at ex-factory level.

45.3 The Commission has also complied with the requirements of Section 11 of the Act which states that the Commission shall, where possible, compare export price and normal value with the same characteristics in terms of level of trade, time of sale, quantities, taxes, physical characteristics, conditions and terms of sale and delivery at the same place.

45.4 The Commission has investigated exporters/producers from the Exporting Countries mentioned at paragraph 26.2 supra who cooperated and responded to the Commission’s questionnaire. Individual dumping margins for the exporters /producers mentioned at paragraph 26.2 supra have been determined and the antidumping duty rate for those exporters /producers has been determined on the basis of individual dumping margins calculated for each exporter/producer. A weighted average dumping margin has been determined for the related companies of Indorama Group from Indonesia. Residual dumping margin/duty rate for non-cooperating exporters/producers from Chinese Taipei and Indonesia has been determined as the highest dumping margin of the exporter/producer from Chinese Taipei and Indonesia.

45.5 The Commission has determined dumping margin for the non-cooperating exporters/producers from Thailand on the basis of Best Information Available’ in terms of Section 32 of the Act and Article 6.8 and Annex II of the Agreement on Anti-dumping.

45.6 Taking into account all the requirements set out above, the dumping margins have been determined as follows. Calculations of dumping margin are placed at Annexure XV:

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Table – IV
Dumping Margins

Exporter/ Producer (1)	Dumping Margin as	
	% of Export Price (2)	% of C&F Price (3)
Chinese Taipei		
• Chung Shing Textile Marketing Limited	19.52	18.06
• All others	19.52	18.06
Indonesia		
• PT. Indorama Polychem	2.51	2.39
• PT. Indorama Synthetics TBK	2.51	2.39
• All others	3.72	3.55
Thailand		
• Indorama Polyester Industries Public Co Ltd	2.69	2.54
• Kangwal Polyester Co. Limited	6.86	6.28
• Sunflag Thailand Limited	8.12	7.57
• All others	11.66	10.96

46. **De minimis Dumping Margin and Negligible Volume of Dumped Imports:**

46.1 In terms of Section 41(3) of the Act states that the dumping margin shall be considered to be negligible if it is less than two percent, expressed as a percentage of the export price. Dumping margin for the dumped imports of the investigated product, set out in paragraph 40.6 supra, appear to be above negligible (*de minimis*) level.

46.2 As regards the volume of dumped imports, Section 41(3) of the Act provides that the volume of such imports shall normally be regarded as negligible if the volume of dumped imports of an investigated product is found to account for less than three percent of total imports of a like product unless imports of the investigated product from all countries under investigation which individually account for less than three percent of the total imports of a like product collectively account for more than seven percent of the imports of like product. The information/data on dumped imports of the investigated product and other imports of PSF has been obtained from PRAL and Cooperated Exporters. Volume of dumped imports of the investigated product and PSF imported from other sources during the POI (Oct 2019-Sep 2020) is given in a table below:

Table – V
Volume of Dumped Imports

Source of Import	% of total imports
(1)	(2)
Chinese Taipei	12.01
Indonesia	35.75
Thailand	24.44
China (other dumped source)	25.93
Other Sources	1.87
Total Imports	100.00

Source: PRAL and Cooperated Exporters

46.3 On the basis of above information, the Commission has determined that the volume of dumped imports of the investigated product from the Exporting Countries was well above the negligible threshold (less than three percent of volume of total imports of the like product) during the POI.

C. INJURY TO DOMESTIC INDUSTRY

47. Determination of Injury:

47.1 Section 15 of the Act sets out the principles for determination of material injury to the domestic industry in the following words:

“A determination of injury shall be based on an objective examination of all relevant factors by the Commission which may include but shall not be limited to:

- a. volume of dumped imports;*
- b. effect of dumped imports on prices in domestic market for like products; and*
- c. consequent impact of dumped imports on domestic producers of such products...”*

47.2 Section 15 of the Act further provides that:

“ No one or several of the factors identified shall be deemed to necessarily give decisive guidance and the Commission may take into account such other factors as it considers relevant for the determination of injury”.

47.3 The Commission has taken into account all injury factors in order to determine whether domestic industry suffered material injury during the POI. Material injury to the domestic industry has been analyzed in the following paragraphs in accordance with Part VI of the Act.

47.4 ICI Pakistan Limited, Ibrahim Fibres Limited and Rupali Polyester Limited produced 100 percent of the total production of PSF during the POI, therefore, these units are considered as domestic industry for the purpose of this investigation.

48. **Cumulation of Dumped Imports:**

48.1 Section 16 of the Act states that:

“where imports of a like product from more than one country are the subject of simultaneous investigation under this Act, the Commission may cumulatively assess the effects of such imports on the domestic industry only if it determines that

“(a) dumping margin in relation to an investigated product from each country is more than the negligible amount as specified...., and volume of dumped imports from each investigated country is not less than the negligible quantity as specified.....; and

“(b) a cumulative assessment of the effects of the imports is appropriate in the light of:

- (i) the conditions of competition between the imports; and
- (ii) the conditions of competition between the imports and a domestic like product”.

48.2 Dumping margin for each Exporting Country is more than the negligible level. Further, the volume of dumped imports during the POI from each Exporting Country individually was also well above the negligible quantity.

48.3 Information obtained from PRAL showed that, during the POI, landed cost of the investigated product from the Exporting Countries were in the same range. Therefore, there was a competition between dumped imports of the investigated product. Volume of imports and weighted average landed cost of the investigated product from the Exporting Countries during the POI for dumping is provided in the table below:

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Table – VI
Volume and Landed Cost of Dumped Imports

Description	Chinese Taipei	Indonesia	Thailand
(1)	(2)	(3)	(4)
C&F price	109	101	100
Landed cost*	119	110	109

Source: PRAL and Cooperated Exporters

* Landed cost = customs duty@7%+ incidentals@2%

Note: Actual figures have been indexed with respect to of C&F price of Thailand by taking it equal to 100 to maintain confidentiality

48.4 The information provided in the above table shows that there was a competition between dumped imports of the investigated product from the Exporting Countries during the POI.

48.5 The investigation has also revealed that there was a competition between investigated product and the domestic like product. Conditions of competition between imports of the investigated product and the domestic like product are discussed in detail in the following paragraphs.

48.6 For the reasons given above, the effects of dumped imports on the domestic industry have been cumulatively assessed in the following paragraphs:

49. **Volume of Dumped Imports:**

49.1 In order to ascertain the increase in the volume of dumped imports of the investigated product, the Commission has obtained import data for the POI from PRAL.

49.2 With regard to the volume of dumped imports, in terms of Section 15(2) of the Act, the Commission considered whether there has been a significant increase in volume of dumped imports, either in absolute terms or relative to the production of the domestic like product in Pakistan. The following table shows imports of the investigated product and production of domestic like product during the POI:

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**Table – VII
Volume of Dumped Imports**

Period	Imports from:				Domestic production	Dumped imports as of:	
	Dumped Sources (Exporting Countries)	Dumped Source; China	Other Sources	Total		Total imports	Domestic production
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Oct 2017 – Sep 2018	2.48	7.77	0.24	10.50	100.00	23.62	2.48
Oct 2018 – Sep 2019	6.15	6.02	0.37	12.54	85.64	49.00	7.18
Oct 2019 – Sep 2020	21.68	7.79	0.56	30.02	69.93	72.20	31.00

Sources: PRAL, Cooperated Exporters & the domestic industry

Note: Actual figures have been indexed with respect to domestic production in the period Oct 17-Sep 18 by taking it equal to 100 to maintain confidentiality.

49.3 It may be noted from the above table that volume of dumped imports of the investigated product increased significantly during the POI in absolute terms as well as relative to the domestic production of the domestic like product. Volume of dumped imports of investigated product from the Exporting Countries increased by ***MT (147%) during Oct 2018 – Sep 2019 over Oct 2017 – Sep 2018. During Oct. 2019 to Sep. 2020 volume of dumped imports of investigated product increased by ***MT (253%) over Oct 2018 – Sep 2019. The above table shows that there was significant increase in the volume of dumped imports in absolute terms during the POI.

49.4 Dumped imports of the investigated product, which were 24 percent of the total imports during the period Oct 2017- Sep 2018 increased to 49 percent and 72 percent of total imports during the period Oct 2018 - Sep 2019 and Oct 2019 - Sep 2020 respectively. This shows that volume of dumped imports increased significantly relative to domestic production during the POI.

50. Price Effects:

50.1 Effect of dumped imports on sales price of domestic like product in the domestic market has been examined to establish whether there was significant price undercutting (*the extent to which the price of the investigated product was lower than the price of the domestic like product*), price depression (*the extent to which the domestic industry experienced a decrease in its selling prices of domestic like product over time*), or price suppression (*the extent to which increased cost of production could not be recovered by way of increase in selling price of the domestic like product*). Effects of dumped imports on price of the domestic like product are analyzed in following paragraphs:

50.2 Price undercutting

50.2.1 Weighted average ex-factory price of the domestic like product has been calculated from the information submitted by the domestic industry on quantity and value of sales during the POI. Landed cost of the investigated product has been calculated from the information obtained from PRAL. Comparison of weighted average ex-factory price of the domestic like product with the weighted average landed cost of the investigated product during the POI is given in following table:

**Table – VIII
Price Undercutting**

Period	Price of Domestic like product*	Landed cost of dumped imports*	Price undercutting (%)
(1)	(2)	(3)	(4)
Oct 2017 – Sep 2018	100.00	98.45	1.55
Oct 2018 – Sep 2019	119.63	115.10	3.78
Oct 2019 – Sep 2020	106.37	89.83	15.55

* Domestic price and landed cost are without sales tax.

Sources: PRAL, Cooperated Exporters & the domestic industry.

Note: Actual figures have been indexed with respect to domestic like product price in the period Oct 17-Sep18 by taking it equal to 100 to maintain confidentiality.

50.2.2 The above table show that the weighted average landed cost of the investigated product remained lower than the weighted average ex-factory price of the domestic like product throughout the POI. The landed cost of the investigated product undercut the prices of the domestic like product ranging from 1.55 percent to 15.55 percent during the POI.

51.3 Price Depression

51.3.1 The domestic industry’s weighted average ex-factory prices of the domestic like product during the POI are given in the following table:

**Table – IX
Price Depression**

Period	Price of Domestic Like Product*
(1)	(2)
Oct 2017 – Sep 2018	100.00
Oct 2018 – Sep 2019	119.63
Oct 2019 – Sep 2020	106.37

* Domestic prices are without sales tax

Source: the domestic industry

Note: Actual figures have been indexed with respect to domestic like product price in the period Oct 17-Sep18 by taking it equal to 100 to maintain confidentiality.

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51.3.2 The above table shows that the prices of the domestic like product increased by 19 percent during the period Oct 2018 – Sep 2019 and then decreased by 11% during the period Oct 2019 – Sep 2020 which is the period of dumping. Cost to make & sell of the domestic industry decreased during the POI for dumping that reduced the prices of the domestic like product.

51.4 Price Suppression

51.4.1 Weighted average cost to make and sell and ex-factory prices of the domestic like product during the POI are given in the following table:

**Table – X
Price Suppression**

Period	Cost to make & sell	Domestic product's price	Increase/(Decrease) in:		Price Suppression
			Cost to M&S	Price	
(1)	(2)	(3)	(4)	(5)	(6)
Oct 2017 – Sep 2018	95.30	100.00	---	---	---
Oct 2018 – Sep 2019	119.11	119.63	23.81	19.63	4.19
Oct 2019 – Sep 2020	105.47	106.37	(13.64)	(13.26)	---

Source: the domestic industry

Note: Actual figures have been indexed with respect to domestic like product price in the period Oct 17-Sep18 by taking it equal to 100 to maintain confidentiality.

51.4.2 The above table shows that the weighted average cost to make and sell of the domestic like product increased by 24 percent during the period Oct 2018 – Sep 2019 and then decreased by 11 percent during the period Oct 2019 – Sep 2020, whereas weighted average prices of the domestic like product increased by 19 percent during the period Oct 2018 – Sep 2019 then decreased by 11 percent during Oct 2018 – Sep 2019. Domestic industry was not able to raise its prices more than the increase in the weighted average cost to make and sell during the period Oct 2018 – Sep 2019. However, during the period Oct 2019 – Sep 2020, which is the period of dumping, the domestic industry's price decreased less than the decrease in its cost to make and sell.

52. Effects on Market Share:

52.1 The total domestic demand of PSF in Pakistan is met through local production and imports. Size of the domestic market is established by adding sales of domestic like product and imports of the investigated product from dumped sources & from other sources. Following table shows the market share from each source of supply during the POI.

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**Table – XI
Market Share**

Period	Domestic industry	Dumped sources (Exporting Countries)	China (other dumped source)	Others Sources	Total Domestic market
(1)	(2)	(3)	(4)	(5)	(6)
Oct 2017 – Sep 2018	89.68	2.44	7.65	0.24	100.00
Oct 2018 – Sep 2019	87.10	6.32	6.20	0.38	95.59
Oct 2019 – Sep 2020	69.25	22.2	7.98	0.57	96.02

Sources: PRAL, Cooperated Exporters & the domestic industry.

Note: Actual figures have been indexed with respect to the figure of total domestic market of the period Oct 17-Sep18 by taking it equal to 100 to maintain confidentiality.

52.2 The above table shows that the domestic market of PSF decreased by 4 percent and increased by 0.45 percent during the period Oct 2018 – Sep 2019 and Oct 2019 – Sep 2020 respectively.

52.3 Domestic industry’s market share marginally decreased from 90 percent during the period Oct 2017 – Sep 2018 to 87 percent during the period Oct 2018 – Sep 2019 and then further decreased to 69 percent during the period Oct 2019 – Sep 2020.

52.4 Market share of dumped imports of the investigated product increased from 2 percent during the period Oct 2017 – Sep 2018 to 6 percent during the period Oct 2018 – Sep 2019 and then further increased to 22 percent during the period Oct 2019 – Sep 2020 despite decline in total market size. Market share of imports from other sources remained 0.24 percent to 0.57 percent during the period Oct 2017 – Sep 2020.

53. Effects on Sales:

53.1 Information on domestic sales of the domestic like product by the domestic industry is shown in the following table:

**Table – XII
Sales of Domestic Industry**

Period	Volume	Change
(1)	(2)	(3)
Oct 2017 – Sep 2018	100.00	---
Oct 2018 – Sep 2019	92.84	(7.16)
Oct 2019 – Sep 2020	74.15	(18.69)

Source: the domestic industry

Note: Actual figures have been indexed with respect to the figure of total domestic sales of the period Oct 17-Sep18 by taking it equal to 100 to maintain confidentiality.

53.2 The above table shows that sales of the domestic like product decreased by 7 percent

during the period Sep 2018 to Oct 2019. It further decreased by 20 percent during the period Sep 2019 to Oct 2020 which is the POI of dumping.

54. Effects on Capacity Utilization:

54.1 The capacity utilized by the domestic industry during POI was as follows:

**Table – XIII
Capacity Utilization**

Period	Capacity utilization
(1)	(2)
Oct 2017 – Sep 2018	92.54
Oct 2018 – Sep 2019	80.00
Oct 2019 – Sep 2020	65.37

Source: the domestic industry.

Note: Actual figures of installed capacity have been indexed with respect to the figure of installed capacity of the period Oct 17-Sep18 by taking it equal to 100 to maintain confidentiality.

54.2 The above table shows that the installed production capacity of the domestic industry remained the same during the POI. Production of the domestic like product decreased by 14 percent and 18 percent during the period Sep 2018 to Oct 2019 and Sep 2019 to Oct 2020 respectively. Resultantly capacity utilization of the domestic industry also decreased from 92 percent during the period Sep 2017 to Oct 2018 to 80 percent during the period Sep 2018 to Oct 2019. It further decreased to 65 percent during the period Sep 2019 to Oct 2020. The decrease in domestic production was mainly due to dumped imports of the investigated product and partly because of COVID-19.

55. Effects on Inventories:

55.1 The data relating to accumulation of inventories of the domestic like product during POI is given in the following table:

**Table – XIV
Inventories of the Domestic Like Product**

Period	Opening Inventory	Production*	Domestic sales	Internal transfer	Closing Inventory
(1)	(2)	(3)	(4)	(5)	(6)
Oct 2017 – Sep 2018	3.45	100.00	91.17	4.14	8.14
Oct 2018 – Sep 2019	8.14	85.64	84.65	4.27	4.87
Oct 2019 – Sep 2020	4.87	69.93	67.60	3.97	3.22

Source: the domestic industry.

* Production figures are of domestic like product only.

Note: Actual figures have been indexed with respect to the figure of production of the period Oct 17-Sep18 by taking it equal to 100 to maintain confidentiality.

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55.2 The above table shows that the closing inventory of the domestic like product decreased during the POI. This decline in closing inventory was due to significant decline in production of domestic industry.

56. **Effects on Profit/Loss:**

56.1 The table below shows the profit/loss of the domestic industry for the POI:

Table – XV
Profits/(Loss)

Period	Net Profit
(1)	(2)
Oct 2017 – Sep 2018	100.00
Oct 2018 – Sep 2019	10.18
Oct 2019 – Sep 2020	14.07

Source: the domestic industry.

Note: Actual figures of have been indexed with respect to the figure of the period Oct 17 – Sep 18 by taking it equal to 100 to maintain confidentiality.

56.2 Above information shows that the profits of the domestic industry on production and sales of the domestic like product decreased significantly from Rs.*** billion to Rs. *** million during the POI.

57. **Effects on Cash Flow:**

57.1 M/s. ICI Pakistan Limited, M/s Ibrahim Fibers Limited and M/s Rupali Polyester Limited are multi-product companies and the cash flows operations cannot be determined separately for different products. Therefore, keeping in view provisions of the Section 17(2) of the Act, the cash flows of the domestic industry for its entire operations during the POI is given in following table:

Table – XVI
Cash Flows from Operating Activities

Period	Cash flows
(1)	(2)
Oct 2017 – Sep 2018	(100.00)
Oct 2018 – Sep 2019	3,325.40
Oct 2019 – Sep 2020	3,353.65

Source: the domestic industry

Note: Actual figures of have been indexed with respect to the figure of the period Oct 17 – Sep 18 by taking it equal to 100 to maintain confidentiality.

57.2 The above table shows that the domestic industry’s cash flows from its operating activities remained positive during the POI for injury. The cashflows are of the Applicant’s all businesses and not for the domestic like product only.

58. Effects on Employment, Productivity and Salaries & Wages

58.1 The data relating to the employment, salaries & wages and productivity of the domestic industry during the POI is given in the table given below:

**Table – XVII
Employment, Salaries & Wages and Productivity**

Period	No. of Employees	Salaries & wages	Production *	Productivity (per worker)	Salaries & wages
(1)	(2)	(3)	(4)	(5)	(6)
Oct 2017 – Sep 2018	100	100.00	100.00	100.00	100.00
Oct 2018 – Sep 2019	95	104.86	86.46	90.38	121.27
Oct 2019 – Sep 2020	72	93.65	70.54	97.60	132.77

Source: the domestic industry

* Production includes production of domestic like product, colored and regenerated PSF

Note: Actual figures of have been indexed with respect to the figure of the period Oct 17 – Sep 18 of each respective column by taking it equal to 100 to maintain confidentiality.

58.2 The above table shows that the employment in the domestic industry decreased during the POI. The reasons of decrease in number of employees during the POI of dumping are attributed to dumped imports and COVID 19. With the decrease in number of employees, salaries & wages of the domestic industry also decreased. Productivity per worker which was *** per MT during the period Oct 2017 – Sep 2018 decreased to *** per MT during the period Oct 2018 – Sep 2019 and then increased to *** MT during the period Oct 2019 – Sep 2020. Salaries & wages per MT increased during the POI of injury.

59. Effects on Return on Investment

M/s. ICI Pakistan Limited, M/s Ibrahim Fibers Limited and M/s Rupali Polyester Limited are multi-product companies. Only M/s ICI Pakistan Limited has maintained separate record of investment. Therefore, investment and return on investment of Ms. ICI Pakistan Ltd. for its polyester business is determined as profit before the tax divided by total assets minus current liabilities. Investment and return on investment of M/s Ibrahim Fibers Limited and M/s Rupali Polyester for whole company is determined as profit before the tax divided by total assets minus current liabilities and is given in the table below:

Table – XVIII
Investment and Return on Investment

Period	Return on investment (%)
(1)	(2)
Oct 2017 – Sep 2018	2.37
Oct 2018 – Sep 2019	0.58
Oct 2019 – Sep 2020	0.04

Source: the domestic industry.

60. **Effects on Growth**

Analysis of the information shows that installed production capacity of the domestic industry was much more than the domestic demand for PSF during the POI, therefore, no further growth in the domestic industry could be expected during the POI.

61. **Ability to Raise Capital**

The domestic industry comprises of companies producing multi-products. The financial health of other products also contributes to the ability to raise capital. As the other products of the domestic industry are earning profits, therefore, dumped imports did not adversely affect the domestic industry’s ability to raise capital.

62. **Magnitude of Dumping Margins:**

Dumping margins determined for the Exporting Countries ranges from 2.39 percent to 18.06 percent, which are considered enough to cause material injury to the domestic industry.

63. **Summing up of Material Injury:**

63.1 Effect of dumped imports on various injury factors are summarized in the table below:

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**Table – XIX
Effects of Dumped Imports**

Injury Factor	Oct 17-Sep 18	Oct 18-Sep 19	Oct 19-Sep 20
(1)	(2)	(3)	(4)
Volume of dumped imports	2.48	6.15	21.68
Dumped imports as % of domestic production (%)	2.48%	7.18%	31.00%
Production of domestic like product	100.00	85.64	69.93
Price Undercutting (%)	1.55%	3.78%	15.55%
Market share of dumped imports (%)	2.44%	6.32%	22.20%
Market share of domestic like product (%)	89.68%	87.10%	69.25%
Sales of the domestic like product	100.00	92.84	74.15
Capacity utilization of domestic industry	92.54%	80.00%	65.37%
Closing inventory of domestic like product	8.14	4.87	3.22
Profits	100.00	10.18	14.07
ROI (%)	2.37%	0.58%	0.04%
Net cash flows	(100.00)	3325.40	3,353.65
Productivity per worker	100.00	90.38	97.60

63.2 The above table shows that volume of dumped imports increased significantly during the period Oct 19-Sep 20 over the preceding year. However, it is noted the domestic industry of PSF in Pakistan remained closed during the quarter April-June 2020 due to the lockdown imposed to control Covid-19. Although the dumped imports of investigated product from the Exporting Countries substantially increased during the aforesaid quarter, however, there was an increasing trend of dumped imports throughout the POI regardless of the closure of the domestic industry in the quarter April-June 2020.

63.3 The domestic industry suffered price under-cutting during the POI as the landed cost of investigated product undercut the sales price of domestic like product in the range from 1.55 percent to 15.55 percent.

63.4 It is also evident from the above table that the production and sales of the domestic industry decreased during the POI. Hence, the domestic industry suffered material injury on account of decline in production and sales.

63.5 The market share of the domestic industry decreased from 89.68 percent to 69.25 percent whereas, the market share of dumped imports increased from 2.44 percent to 22.20 percent during the POI.

D. CAUSATION

64. **Effect of Dumped Imports:**

The investigation of the Commission has revealed that the following happened simultaneously during the POI:

- (a) Volume of dumped imports of the investigated product increased significantly in absolute terms as well as relative to the domestic production;
- (b) Domestic industry experienced price undercutting due to dumped imports of the investigated product;
- (c) Market share of dumped imports of the investigated product increased whereas market share of the domestic like product declined simultaneously;
- (d) Domestic industry faced decline in sales, production & productivity; and
- (e) Domestic industry faced decline in capacity utilization and salaries & wages per MT

65. **Other Factors:**

65.1 In accordance with Section 18(2) of the Act, the Commission has also examined factors other than dumped imports of the investigated product, which could have at the same time caused material injury to the domestic industry, in order to ensure that possible injury caused by other factors is not attributed to the dumped imports.

65.2 Section 18(3) of the Act states that the other factors which may be relevant for the purpose of examination may include the following:

- (a) volume and price of imports not sold at the dumped prices;
- (b) contraction in demand or changes in the patterns of consumption;
- (c) trade restrictive practices of and competition between foreign and domestic producers;
- (d) development in technology; and
- (e) export performance and productivity of domestic industry

65.3 **Volume of Imports from Other Sources**

65.3.1 Following table shows volume of imports of the investigated product imported from other sources:

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Table – XX
Volume of Imports from Other Sources

Period	Domestic industry	Dumped sources (Exporting Countries)	China (other dumped source)	Others Sources	Total Domestic market
(1)	(2)	(3)	(4)	(5)	(6)
Oct 2017 – Sep 2018	89.68	2.44	7.65	0.24	100.00
Oct 2018 – Sep 2019	87.10	6.32	6.20	0.38	95.59
Oct 2019 – Sep 2020	69.25	22.2	7.98	0.57	96.02

Sources: PRAL, Cooperated Exporters & the domestic industry.

Note: Actual figures have been indexed with respect to the figure of total domestic market of the period Oct 17-Sep18 by taking it equal to 100 to maintain confidentiality.

65.3.2 The above table shows that the volume of imports of PSF from other sources other than Exporting Countries and dumped imports from China was less than 1% during the POI and did not cause injury to the domestic industry.

65.4 Prices of Imports of PSF from Other Sources:

65.4.1 Following table shows prices (landed cost) of imports of the investigated product and PSF imported from other sources:

Table – XXI
Landed cost of imports and Domestic Industry’s Price

Period	Landed Cost of imports from			Domestic product’s price
	Dumped sources (Exporting Countries)	China (other dumped source)	Other Sources	
(1)	(2)	(3)	(4)	(5)
Oct 2017 – Sep 2018	97.79	94.75	102.85	100.00
Oct 2018 – Sep 2019	114.33	115.35	117.41	118.54
Oct 2019 – Sep 2020	89.23	95.55	97.13	105.13

Note: Domestic price and landed cost are without sales tax

Sources: the domestic industry and PRAL and Cooperated Exporters

Note: Actual figures have been indexed with respect to domestic like product price in the period Oct 17-Sep18 by taking it equal to 100 to maintain confidentiality.

65.4.2 The above table shows that the landed cost of PSF imported from other sources other than Exporting Countries and dumped imports from China was much higher than the landed cost of investigated product from dumped sources during the POI for dumping. Therefore, the domestic industry did not suffer material injury on account of prices of imports of PSF from other sources during the POI.

65.5 Contraction in Demand or Change in Pattern of Consumption:

65.5.1 Information obtained from PRAL and submitted by the domestic industry shows that, there was contraction in demand during the period Oct 2018 – Sep 2019, where domestic market of PSF decreased by 6 percent. However, during the period Oct 2019 – Sep 2020 which is the period of dumping the domestic market of PSF decreased by 2 percent only. On the other hand, the sales of the domestic like product decreased by 7 percent during the period Sep 2018 to Oct 2019 and by 19 percent during the period Sep 2019 to Oct 2020, which is the POI of dumping.

65.5.2 The Commission therefore determined that the domestic industry did not suffer material injury due to contraction in demand as its sales declined much more than the decline in the domestic market during the POI for dumping.

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

There was no such policy by the Government of Pakistan during the POI that have negatively affected the domestic industry and created distortion in the competitive environment between foreign and domestic producers.

65.7 Developments in Technology:

There was no new development in technology during the POI that could have contributed to the material injury of the domestic industry.

65.8 Export Performance of Domestic Industry:

M/s ICI Pakistan Ltd. exported a marginal quantity of PSF during the POI for injury, which in actual contributed positively in the financial health of the domestic industry.

66. Effect of COVID 19:

66.1 COVID-19 that was classified as a pandemic by the World Health Organization impacted countries globally including Pakistan. Government of Pakistan took certain measures to reduce spread of the pandemic including lockdown of business activities across the country. These measures resulted in an overall economic slowdown.

66.2 The domestic industry of PSF in Pakistan also remained closed during the quarter April-June 2020 due the lockdown. During this period dumped imports of investigated product from the Exporting Countries substantially increased creating an impression that increase in imports during the Oct 19-Sep 20 was due to this phenomenon. However, quarterly analysis shows that

there was an increasing trend of dumped imports throughout the POI regardless of the closure of the domestic industry in the quarter April-June 2020.

Table-XXII
Volume of Dumped Imports

Period	Quantity
(1)	(2)
Oct 19-Dec 19	18.63
Jan 20-Mar 20	25.03
Apr 20-Jun 20	22.95
Jul 20-Sep 20	33.39
Total	100.00

Source: Cooperated Exporters & PRAL

Note: Actual figures have been indexed with respect to total quantity by taking it equal to 100 to maintain confidentiality.

66.3 KAPTMA in its submission stated that the Applicants in their annual reports referred COVID-19 as one of the injury factor. Annual Report 2020 “Future Outlook” page no. 10, of M/s Ibrahim Fibres Ltd. states that:

“After relaxing lockdown restrictions, economic activities have started to gain momentum in the domestic industry. However, COVID - 19 specific economic uncertainties are hindering the restoration of international as well as domestic economic activities to the pre - Covid level. Moreover, unprecedented volume of PSF is being dumped by regional players choking operating levels of domestic PSF manufacturers”.

67. **Demand and Supply Gap**

The total installed capacity of domestic industry to produce PSF during the period Oct 2017 – Sep 2020 remained at 537,374. The total demand of the domestic market during the same period remained in the range of 477,808 MT to 499,838 MT. The dumped imports from China and the Exporting Countries due to unfair trade practices, distort the supply chain and captured the domestic market. The domestic industry in-spite of capability to cater domestic demand unable to utilized its installed capacities of PSF. Hence, the reason of increase of imports from the Exporting countries cannot be attributed to demand and supply gap.

Table-XXIII
Installed Capacity and Total Domestic Demand
(MT)

Period	Installed capacity of domestic industry	Total domestic market
(1)	(2)	(3)
Oct 2017 – Sep 2018	537,374	499,838
Oct 2018 – Sep 2019	537,374	477,808
Oct 2019 – Sep 2020	537,374	479,953

68. Poor Quality

During the course of the investigation both domestic industry and cooperated exporters/producers informed the Commission that there is no difference in the quality, production process and technology of investigated product and domestic like product. Production process of the Applicants, Rupali Polyester Ltd and cooperated exporters/producers is given in their respective on-the-spot verification reports. Hence, there was no development in technology during the POI that could have contributed to the material injury of the domestic industry.

E. CONCLUSIONS

69. The conclusions, after taking into account all considerations for this final determination, are as follows:

- (a) the application was filed by the domestic industry as the Applicants are the largest producers of the domestic like product in domestic market;
- (b) the investigated product and the domestic like product are like products;
- (c) during POI, the investigated product was exported to Pakistan by the exporters/ producers from the Exporting Countries at prices below its normal value;
- (d) the volume of dumped imports of the investigated product and the dumping margins established for the investigated product from the Exporting Countries are above the negligible and de minimis levels respectively;
- (e) the dumping margins expressed as a percentage of weighted average adjusted export price at ex-factory level varies between 2.51 percent to 19.52 percent for Exporting Countries;

- (f) the domestic industry suffered material injury during POI on account of significant increase in volume of dumped imports, price undercutting, decline in market share, sales, profits, production, productivity, capacity utilization and negative effect on salaries and wages per MT in terms of Section 15 and 17 of the Act; and
- (g) there was a causal relationship between dumped imports of the investigated product and the material injury suffered by the domestic industry.

F. IMPOSITION OF DEFINITIVE ANTIDUMPING DUTIES

70. In view of the analysis and conclusions with regard to dumping of the investigated product, material injury to the domestic industry and causal link between dumping and injury, the Commission is required to impose antidumping duty on dumped imports of the investigated product under Section 50(1) of the Act.

71. For the purpose of imposition of lesser duty in accordance with Section 50(2) of the Act, the Commission has calculated injury margin to ascertain whether a lower duty would be adequate to remove injury being suffered by the domestic industry due to dumped imports of investigated product. Following table shows a comparison of the injury margin and individual dumping margin:

**Table-XXIV
Comparison of Injury Margin and Dumping Margin**

Exporter/ Producer	Injury Margin (%)	C&F Dumping Margin (%)
(1)	(2)	(3)
Chinese Taipei		
• Chung Shing Textile Marketing Limited	12.47	18.06
• All others	12.47	18.06
Indonesia		
• PT. Indorama Polychem	21.37	2.39
• PT. Indorama Synthetics TBK	21.37	2.39
• All others	23.27	3.55
Thailand		
• Indorama Polyester Industries Public Co Ltd	15.86	2.54
• Kangwal Polyester Co. Limited	28.50	6.28
• Sunflag Thailand Limited	34.26	7.57
• All others	34.26	10.96

72. Injury margins determined are more than the dumping margins at C&F level for each exporter/foreign producer except the exporters/foreign producers from Chinese Taipei. Therefore, definitive antidumping duty rates for Chinese Taipei will be equal to injury margins

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and exporters/foreign producers from Indonesia and Thailand will be equal to their respective dumping margins.

73. In reaching this final determination, the Commission satisfied itself that PSF imported from the Exporting Countries has been imported at dumped prices. The Commission is of the view that the level of injury is sufficient to justify imposition of definitive measures. In order to prevent material injury, the Commission, pursuant to powers under Section 50 of the Act, has decided to impose definitive anti-dumping duty at the rates mentioned below on C&F value in ad valorem terms on imports of PSF from the Exporting Countries for a period of five years effective from the date of publication of notice of final determination in the Official Gazette:

Table – XXV
Definitive Anti-dumping Duty Rates

Exporter/ Producer	Definitive Antidumping Duty %
(1)	(2)
Chinese Taipei	
• Chung Shing Textile Marketing Limited	12.47
• All others	12.47
Indonesia	
• PT. Indorama Polychem	2.39
• PT. Indorama Synthetics TBK	2.39
• All others	3.55
Thailand	
• Indorama Polyester Industries Public Co Ltd	2.54
• Kangwal Polyester Co. Limited	6.28
• Sunflag Thailand Limited	7.57
• All others	10.96

74. PSF imported from other sources (other than China) shall not be subject to the definitive antidumping duty. In accordance with Section 51 of the Act, the definitive antidumping duty shall take the form of *ad valorem* duty and be held in a non-lapsable personal ledger account established and maintained by the Commission for the purposes of antidumping duties. Release of the investigated product for free circulation in Pakistan shall be subject to the imposition of such antidumping duty. Definitive antidumping duties levied on import of the investigated product would be in addition to other taxes and duties leviable on its imports under any other law. The definitive antidumping duty would be collected in the same manner as customs duty is collected under the Customs Act, 1969 (IV of 1969) and would be deposited in Commission’s Non-lapsable PLD account No. 187 with Federal Treasury Office, Islamabad.

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75. Further, in accordance with Section 51(1)(e) of the Act, definitive antidumping duty will not be levied on imports of the investigated product that are to be used as inputs in products destined solely for exports and are covered under any scheme exempting customs duty for exports under the Customs Act 1969.

(Muhammad Saleem)
Member
February 03, 2022

(Anjum Assad Amin)
Member
February 03, 2022

(Robina Ather)
Chairperson
February 03, 2022

ANNEX – I

Comments of Interested Parties

Comments from Interested Parties	NTC Views
Views/ Comments of the Directorate General of Foreign Trade, Ministry of Trade, Government of Indonesia	
Legal Standing of the Petitioner:	
<p>“.....in the preliminary report, NTC acknowledges that one of the applicants i.e. M/s ICI Pakistan Limited shares the same shareholders with other importers i.e. M/s Gadoon Textiles Mills and M/s Yunus Textiles Mills which imported the product under consideration (PUC) from the exporting countries. These three companies are parts of Yunus Brothers Group as the holding company.....</p> <p>Based on this fact, M/s ICI Pakistan Limited does not meet the qualification to be acknowledged as a domestic industry under Article 4.1(i) of the Anti-Dumping Agreement (ADA), in particular, the second condition for exception: "both of them are directly or indirectly controlled by a third person..."</p> <p>“the Yunus Brothers Group (YBG/Yunus Holdings) is the major and controlling shareholder of the Mis ICI Pakistan Limited, this was done through acquisition on 2012. Both entities shares the same members of Board of Directors..”</p> <p>The GOI would like to refer to the Business Credit Report of M/s Ibrahim Fibers Limited, Issued by Dun & Bradstreet on Mav 18, 2020. In that report, there is a clear evidence that M/s Ibrahim Fibers limited conducted imports activity from several countries, including countries subjects of this Investigation</p>	<p>Please refer Para 8, “The Domestic Industry”, of this final determination report in which the Commission has determined that M/s ICI Pakistan Ltd and M/s Ibrahim Fibers limited fit in the definition of the domestic industry as:</p> <ul style="list-style-type: none"> • none of the three (M/s ICI, M/s Gadoon Textiles Mills and M/s Younas Textiles Mill) directly or indirectly controls the other; • none of the three (M/s ICI, M/s Gadoon Textiles Mills and M/s Younas Textiles Mill) is directly or indirectly controlled by a third party; • M/s ICI, M/s Gadoon Textiles Mills and M/s Younas Textiles Mill, all three, jointly or separately don’t control a third party; • the investigations have also shown that M/s ICI, M/s Gadoon Textiles Mills and M/s Younas Textiles Mill behavior was not different among themselves vis-à-vis non related parties; and <p>Ibrahim Fibres Limited imported Purified Terephthalic Acid and Viscose Staple Fibre, which are not the investigated product from the Exporting Countries during the POI.</p>
The determination of normal value is not transparent and unreliable:	
<p>“In its reports, the NTC concluded when determining a normal value for Indorama Polychem and Indorama Synthetics that the sales of those companies were not in the ordinary course of trade. However, the NTC has not provided factual and legal reasoning on how it came to such a conclusion, nor did the NTC provide the analysis methodology used to deliver such a conclusion...”</p> <p>“This practice of cherry-picking the data is unacceptable. The GOI, therefore, asks the NTC to calculate the normal value based on the data submitted by Indonesian exporters who actively participate in this investigation instead of baseless data provided by the petitioner.”</p>	<p>Please refer Para 35 and 37, Determination of Normal Value of Indorama Polychem and Indorama Synthetics respectively of this final determination report in which the Commission has determined the normal value of Indorama Polychem and Indorama Synthetics.</p> <p>The normal value of said exporters/producers was calculated on the basis of data/information submitted by them. Further, disclosures meetings on August 24, 2021 were held with representative of said exporters in which methodology used in calculations of dumping margins was explained. None of the said exporters have objected the methodology used in calculations of dumping margins.</p>

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Comments from Interested Parties	NTC Views
<p>There are no dumped imports from Indonesian Exporters:</p> <p>“In the: SEC page 27 table IX, indicates that during the POI, the prices of the imported products were at par-with the domestic products, no dumping has happened during the POI. Exclusively for Indonesia, imports’ landed cost from Indonesia was higher than that of Thailand.....”</p>	<p>Please refer Para 48.3 and 50.2, “Price Undercutting” of this final determination report.</p> <p>Further, the dumping margins for the cooperated Indonesian exporters/producers are calculated on the basis of data/information shared by them.</p>
<p>Domestic industry is not suffering a material injury due to subject imports from Indonesia:</p> <p>“In the preliminary report, the NTC considers several factors to determine the injury of the domestic industries. However, after examining these factors the GOI believes that there is no injury caused by dumped imports. The NTC even acknowledges that “... Cost to make & sell of the domestic industry decreased during the POI for dumping that reduced the prices of the domestic like product”. This acknowledgment is evident that the declining cost of production of the domestic producers is the main factor for the declined price of domestic products, not the alleged dumped imports”.</p> <p>“Furthermore, the M/s Ibrahim Fibers Limited has addressed the main reason for its decline in business performance due to COVID-19 Pandemic and not to any other factors. It was clearly stated in its 2020 Financial Report.....</p> <p>.....This statement is a clear statement that the declining business performance of the domestic industry is mainly attributed to the COVID-19 Pandemic and not to any other factors in particular the alleged dumped imports”.</p> <p>“We also found that the data to determine the injury is inconsistent, which means that from 3 (three) injury periods, there is no significant decline of the economic parameters of the domestic industry even in the price analysis. If any data is showing a decline in the economic parameters, it only happened in the last year of the injury period.”.....</p>	<p>Please refer Para 51.4 and 63.1, Price Suppression and Summing up of Material Injury respectively of this final determination report in which the Commission has not determined injury to the domestic industry in the price suppression.</p> <p>Please refer to Annual Report 2020, “Future Outlook” page no. 10, of M/s Ibrahim Fibres Ltd. where it is stated that:</p> <p><i>“After relaxing lockdown restrictions, economic activities have started to gain momentum in the domestic industry. However, COVID - 19 specific economic uncertainties are hindering the restoration of international as well as domestic economic activities to the pre - Covid level. <u>Moreover, unprecedented volume of PSF is being dumped by regional players choking operating levels of domestic PSF manufacturers</u>”.</i></p> <p>Please refer Para 52.4, “Market Share” of this final determination report in which the Commission has determined that market share of dumped imports of the investigated product increased from 2 percent during the period Oct 2017 – Sep 2018 to 6 percent during the period Oct 2018 – Sep 2019 and then further increased to 22 percent during the period Oct 2019 – Sep 2020 despite of decline in total market. Market share of imports from other sources remained 0.24 percent to 0.57 percent during the period Oct 2017 – Sep 2020.</p>

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Comments from Interested Parties	NTC Views
<p>“.....Since Indonesian exporters dumping margins are less than 4% including others, we are of the view that import of PUC from Indonesia is insignificant to, if any, the injury of the domestic industry”.</p>	<p>Please refer Para 48, “Cumulation of Dumped Imports” of this final determination report.</p>
<p>No injury to the domestic industry:</p> <p>“Both: petitioners, M/s ICI Pakistan and M/s Ibrahim Fibers Limited enjoyed a relative positive, growth in terms of annual sales and profits, as shown by the information published in their respective official websites.”</p> <p>Proof of Pakistani Domestic Producers Experienced Relatively Better Performance in 2021:</p> <p>“From the economic parameters provided both petitioners financial reports show that there are no injuries experienced in the domestic Industry;</p> <p>a. The sales volume of Pakistani producers increased significantly in 2021.</p> <p>b. Petitioner was able to increase its revenue year by year. In fact, it was able to reach its revenue peak in 2021.</p> <p>c. Petitioners. was also able to increase its total assets to the peak in 2021.</p> <p>The Gol strongly request the NTC to use the data provided by both petitioners”.</p>	<p>M/s ICI Pakistan has different business segments and manufacture and trade in a diversified range of products including Polyester Staple Fiber, Soda Ash, and Specialty Chemicals, Pharmaceuticals, Animal health products and Seeds. The polyester business’s principal activity is to manufacture, market and sell polyester staple fibre of different type including the investigated product.</p> <p>M/s Ibrahim manufactures and sell Polyester Staple Fibre and Yarn in Pakistan.</p> <p>Thus, the financials and websites present the overall performance of the Applicants.</p> <p>Please be noted that the Commission conducted on-the-spot investigation at the plant and premises of the Applicants and M/s Rupali Polyester Limited and verified the data/information submitted by them to the Commission. Non-Confidential version of on-the-spot investigation report(s) are available in public files.</p>

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Comments from Interested Parties	NTC Views
Views/ Comments of the Khyber Pakhtunkhwa Textile Mills Association (KPTMA)	
<p>Domestic Industry:</p> <p>“The Commission by way of its Preliminary Determination determined that ICI Pakistan Limited should not be excluded from the definition of the domestic industry. It must be noted that the definition provided above excludes domestic producers when any such domestic producers are related to the importers of the Investigated Product. In this regard, we submitted that ICI Pakistan Limited and Gadoon Textile Mills Limited ("GTML") are subsidiaries of the Yunus Brothers Group and the latter is also an importer of PSF. Thus, it was stated that ICI Pakistan should not be allowed to represent the Domestic Industry</p>	<p>Please refer Para 8, “The Domestic Industry”, of this final determination report in which the Commission has determined that M/s ICI Pakistan Ltd and M/s Ibrahim Fibers limited fit in the definition of the domestic industry in terms of Section 31(1) of the Anti-Dumping Duties Act, 2015.</p>
<p>Unwarranted Claims of Confidentiality:</p> <p>Much of the information claimed as confidential by the Applicants is not accompanied with summaries which may enable the reader to discern the points being agitated. Conversely, even where the Applicants have furnished 'summaries' of 'confidential information, they are inadequate to form a reasonable understanding of the information.</p> <p>“By way of illustration, in paragraph 5.10 of the First Written Submissions, it had been stated that the Applicants had not provided adequate details regarding the import quantities and normal value. In response to this, the Commission, on <u>page 49</u> of its Preliminary Determination Report, stated that as the Applicants "purchased" this data from consultants, they are bound to keep it confidential. Yet, the Applicants state that the consultant "publishes" this data. Anything that is published is automatically available to the public. Additionally, anything that can be purchased is available to anyone who pays for the service. If the information is available to any customer who pays for it, it is incomprehensible as to how the Applicants have deemed such information to be confidential”.</p>	<p>The Applicants under Section 31(1) of the Anti-Dumping Duties Act, 2015 (the “Act) maintained confidentiality. of following types of information in the application:</p> <ul style="list-style-type: none"> a) business or trade secrets concerning the nature of a product, production processes, operations, production equipment, or machinery; b) information concerning financial condition of a company which is not publicly available; and c) information concerning costs, identification of customers, sales, inventories, shipments, or amount or source of any income, profit, loss or expenditure related to manufacture and sale of a product. <p>The purchase contract of the Applicants with consultant restrict them not to share data and thus is it was maintained confidential.</p> <p>The Applicants fulfilled the requirement Section 31(1) and provided the indexed figure of imports from Chinese Taipei, Indonesia, Thailand and Korea in the table 29, page no. 43 of the Non-Confidential version of the application.</p>

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Comments from Interested Parties	NTC Views
<p>“.....the Applicants have not provided the cost of purified terephthalic acid and monoethylene glycol. Such information is vital as the two are the main raw materials required to manufacture the Investigated Product. The prices for the two raw materials will help determine the cost of manufacturing PSF. This is essential in analysing the final price determined for the product by the Applicants. It must also be taken into account that the said raw materials are trading commodities and, as such, the costs of the same are publicly available”.</p>	<p>The Commission has verified the prices of raw materials of both (Applicants and cooperated exporters/producer) and same has been use in this final determination.</p>
<p>Unwarranted Initiation of Investigation:</p> <p>Exorbitant Tariff Protection:</p> <p>“Despite the exorbitant protection afforded to the Domestic Industry, they have failed to use such protection to their advantage by increasing their production capacity, lowering their prices, improving their technology and/or quality</p> <p>Oligopoly of producers:</p> <p>“The oligopolist nature of Pakistan's PSF industry has not been considered by the Commission in its Preliminary Determination.....The Domestic Industry , therefore, operates as a cartel and fixes its price in relation to the imported like-product”.</p> <p>Demand and Supply Gap:</p> <p>“....Total demand of PSF is far greater than the production levels of local producers. However, in <u>paragraph 54</u> of the Preliminary Determination Report, the Commission states that the installed production capacity of the Domestic Industry was much more than the domestic demand of PSF during the POI. If arguendo, this is true, imposition of anti-dumping duties would still not be justified, owing to multiple reasons such as depletion of plants, outdated technology, inferior quality, exorbitant prices etc. Non-imposition of further duties and reduction of existing duties will not only increase competitiveness of the Domestic Industry but will also ensure consistent supply of raw materials at competitive rates”.</p>	<p>Anti-dumping duties is levied to provide level playing field to the domestic industry and to offset the impact of dumped imports being imported on dumped prices to prevent injury to the domestic industry.</p> <p>Competition Commission of Pakistan is an authority of the Government of Pakistan to address such issues.</p> <p>Anti-dumping investigation are conducted under the Anti-Dumping Duties Act, 2015 and Anti-Dumping Duties Rules, 2001. The purpose of Anti-Dumping duties is levied to provide level playing field to the domestic industry and to offset the impact of dumped imports being imported on dumped prices to prevent injury to the domestic industry</p> <p>The installed capacities of the domestic industry to manufacture PSF is more than the demand of total market, however, due to dumped imports the capacities remain un-utilized</p>

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Comments from Interested Parties	NTC Views
<p>Dumping:</p> <p>Export Price greater than Normal Value:</p> <p>“Please note that upon an independent inquiry, it was found that the average export price of PSF was more than the average normal value in Indonesia, any assertion that PSF is being dumped into Pakistan by such a producer is fundamentally incorrect</p>	<p>Export price and normal value for cooperated Indonesian Exporters have been calculated on the basis of information provided by them. Please refer to Paras 34-37 of this final determination report regarding determination of normal value and export price of cooperated exporters/producers of Indonesia.</p>
<p>Injury & Causation:</p> <p>“In Table VII, the Commission has determined that the volume of dumped imports from the Exporting countries amounted to 21.68. Has the Commission deducted the imports of variants of PSF other than the Investigated product...”</p> <p>“Given that there was a 11% decrease in the weighted average cost to make & sell in the domestic like product, why did the Domestic industry increase its prices?</p> <p>Given that there was a decrease in the prices of raw materials required to manufacture PSF, why was there no corresponding decrease in the domestic industry?”</p> <p>Impact of Covid:</p> <p>“In of the Preliminary Determination Report, the Commission has considered the effect of COVID-19. In the Preliminary Determination, there is no analysis, let alone a determination with respect to the effect of COVID-19 on the Domestic Industry...”</p> <p>Lack of Technology, Poor Quality and Management:</p> <p>“...unfortunately in Pakistan, no such effort let alone development has been made by the local manufacturers as they do not feel the need being all along amply protected by the government through tariff and non-tariff protections..... We appreciate this acknowledgment as one of the primary reasons domestic users of PSF are drawn to imported products is due to the lack of quality in the domestic market.”</p>	<p>The Commission has limited the scope of investigation to the investigated product and in this regard please refer para 14.3, “Investigated Product” of this final determination</p> <p>Please refer Para 51.4, “Price Suppression” of this final determination report.</p> <p>Please refer Para 66, “Effect of COVID-19” of this final determination report.</p> <p>Please refer Para 65.7, “Development in Technologies” this final determination report.</p>

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Comments from Interested Parties	NTC Views
<p>“..The volume of the allegedly dumped imports from the Exporting Countries only increased 'significantly' from October 2019 till September was due to plant closures by the Domestic Industry, which left a void in the supply of the Investigated Product. This void was, resultantly, filled through imports. Any alleged price undercutting is a direct result of the decreased raw material costs and the failure of the Applicants to adjust their prices accordingly. Given the failure of the Domestic Industry to decrease their prices at par with the decreased costs, they put themselves in a position to lose their market share. As has been recognized by the Commission itself, the primary reason for decreased sales and capacity utilization is COVID-19 and the resultant factory closures”</p>	<p>Please refer Section D, “Causation” of this final determination report.</p>
<p>“Both the Applicants have admitted in their Annual Statements that the impact of COVID-19 was catastrophic. Relevant extracts from the financial statements of the Applicants which outline that the ongoing pandemic of COVID-19 was one of the reasons for the Domestic Industry's failures are reproduced below:</p> <p>ii- <u>ICI Pakistan Limited Annual Report 2019-2020</u> Last sentence in the second paragraph under the heading "Net Turnover" on page 33: <i>"The economic slowdown and uncertainty induced by COVID-19 pandemic along with consequential country wide lockdown were the 12primary factors which affected the revenues in the later part of this year."</i></p> <p>iii-<u>Ibrahim Fibres Limited Annual Report for the year ended June 30, 2020</u> First paragraph under the heading "Industry Overview" on page 08: <i>"During the first half of the financial year under review, Domestic Industry faced immense challenge of contradictory economic policies coupled with highest inflation rate in recent times. The situation aggravated further in the second half of current financial year due to COVID-1Q outbreak which flattened global as well as domestic economy and resultantly a paradigm shift in basic economic fundamentals of the Globe was observed."</i></p>	<p>Please refer to Annual Report 2020, “Challenges” page no. 113, of M/s ICI Pakistan Ltd. where it is stated that:</p> <p><i>“The regional PSF market remained affected by the high level of finished goods inventory amid slow off-take from the downstream market. The regional players adopted aggressive pricing strategy to dump their stocks and to maintain their high operating rates. Pakistan, in the absence of a level playing field, experienced a great influx of PSF imports from these countries”.</i></p> <p>Please refer to Annual Report 2020 “Future Outlook” page no. 10, of M/s Ibrahim Fibres Ltd. where it is stated that: <i>“After relaxing lockdown restrictions, economic activities have started to gain momentum in the domestic industry. However, COVID - 19 specific economic uncertainties are hindering the restoration of international as well as domestic economic activities to the pre - Covid level. Moreover, <u>unprecedented volume of PSF is being dumped by regional players choking operating levels of domestic PSF manufacturers”.</u></i></p>

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Comments from Interested Parties	NTC Views
Views/ Comments of the All Pakistan Textiles Mills Association, JK Spinning, Mills Ltd, North Star Textiles Ltd, Premium Textile Mills, Sana Industries Ltd.	
<p>“Upon review thereof, we note that the Commission has failed to disclose all essential facts under consideration. More specifically, the facts relevant to the Commission's collation of facts in relation to 'other known factors', that shall form the basis of the final determination, the" " Commission arrives at in the ongoing 'Investigation....”</p>	<p>Please note that APTMA, JK Spinning, Mills Ltd, North Star Textiles Ltd, Premium Textile Mills and Sana Industries Ltd. has never submitted its views/comments on the “Other Factors” during the course of investigation. However, the “Other Factors” raised by other interested parties are examined at Para 65, “Other Factor” of this final determination report.</p>
<p>“While the SEF contains a paragraph about the 'Other Factors' that the Commission will now examine, the same only provides the list of illustrative factors contained within Section 18 (3) of the Act with the only exception being the. addition of the "Impact of COVID-19" as an additional factor to be examined.....</p> <p>Given that the determination of the impact 'other factors' had on the Domestic Industry is imperative towards ensuring that the injury caused by 'other factors' is not attributed to the 'dumped' imports, all facts concerning the same would by nature be extremely important. Therefore, in failing to provide any facts at all relating to the Commission's examination of the 'other factors', the issuance of the SEF (in its current state) by the Commission is in blatant contravention of the Act, the Rules, and the Agreement.”</p>	<p>The Commission in Para 59 and Para 60, “Other Factor” and “Effect of COVID-19” respectively and in Annexure-I of the preliminary determination report of subject investigation examined other factors and COVID-19.</p> <p>Please also refer Para 66, “Effect of COVID-19” respectively of this final determination report.</p>
Views/ Comments of the Master Textile Mills Limited & NM Corporation Private Limited	
<p>“Review of SEF lacks full disclosure of facts on price comparison, dumping margins calculation, determination of Injury to local industry and initial determination of Dumping Margins for exporting companies/ countries.”</p>	<p>Please refer Para 56 “Effects on Profit/Loss” of this final determination report.</p>
<p>“.....On the face of it, all complainant producers had substantial profits during the period of investigation in line with historical trends. Ratio Analysis of their Financials' also reveal a sustained growth in profits during the investigation period. Hence, the assertion of substantial injury to local industry is not well substantiated.</p>	<p>M/s ICI Pakistan has different business segments and manufacture and trade in a diversified range of products. M/s Ibrahim Fibres Ltd is also a multiproduct company. Thus, the financials present the overall performance of the Applicants.</p>
<p>The SEF confirms about the 'Other Factors' that the Commission will now examine, list of these factors includes the "Impact of COVID-19" as an additional factor to be examined. The Commission in principle, in our view, can only arrive at determination of. potential injury or dumping margins once it has completed its examination of all known factors and impact of each factor.</p>	<p>Please refer Para 65, “Other Factor” and Section D, “Causation” of this final determination report.</p>
Views/ Comments of the Colony Textile Mills	
<p>“three units are producing polyester in Pakistan due to which they were controlling price of polyester in local market by creating monopoly.”</p>	<p>Competition Commission of Pakistan is an authority of the Government of Pakistan to address such issues.</p>

Final Determination and Levy of Anti-dumping Duties on Dumped Imports of PSF into Pakistan Originating in and/or exported from Chinese Taipei, the Republic of Indonesia and the Kingdom of Thailand
