

A.D.C No 32/ 2015/NTC/SB/SR/2020
Government of Pakistan
National Tariff Commission

**Notice of Initiation of Sunset and Changed Circumstances Review of Anti-dumping Duty
Levied on Dumped Imports of Sorbitol Solution Originating in and/or Exported from the
Republic of India into the Islamic Republic of Pakistan**

The National Tariff Commission (the "Commission") received an application under Section 58(3) and 59(1) of the Anti-Dumping Duty Act, 2015 (the "Act") on July 29, 2020 from M/s Habib Rice Products Limited, Karachi (the "Applicant"), for sunset and changed circumstances reviews of anti-dumping duty levied on dumped imports of Sorbitol 70% Solution, ("Sorbitol") into Pakistan originating in and/or exporting from India. This application was made following the notice of impending expiry of definitive anti-dumping duty published in national press and official Gazette on June 16, 2020.

Product under Review

The product under review is Sorbitol 70% solution originating in and/or exported from the Republic of India. It is classified under Pakistan Customs Tariff numbers. 2905.4400 and 3824.6000.

Anti-dumping Duty in force

The Commission imposed definitive anti-dumping duty @ 16.97 percent *ad val* on dumped imports of Sorbitol imported from the India w.e.f. August 25, 2015 for a period of five years.

Initiation of Review

The Applicant has alleged that expiry of anti-dumping duty would likely to lead continuation of dumping of Sorbitol from India and injury to the domestic industry producing Sorbitol. The Applicant has further alleged that since imposition of anti-dumping duty circumstances have been significantly changed in India for production and sales of Sorbitol solution. Indian exporters are now exporting Sorbitol solution at increased dumping margin. On examination of the information and evidence provided in application, the Commission has, *prima facie*, determined that there is sufficient evidence to justify initiation of a review under Sections 58(3) and 59(1) of the Act. Thus, the Commission hereby initiates a review pursuant to Sections 58(3) and 59(1) of the Act to determine whether expiry of the anti-dumping duty imposed on dumped imports of Sorbitol from the India would likely lead to continuation or recurrence of dumping and injury, and whether changed circumstances warrants continuation, removal or amendment of the anti-dumping duty.

Period for the Review ("POR")

The sunset and changed circumstances review would be conducted on the basis of information for the last three years i.e. from July 01, 2017 to June 30, 2020, whereas the POR for dumping determination would be from July 01, 2019 to June 30, 2020

Basis for Review:

The applicant has alleged and has provided evidence that the Indian exporters have absorbed anti-dumping duty, therefore, imports of Sorbitol from India have continued after imposition of anti-dumping duty at dumped prices. Further, installed capacities to produce Sorbitol in India has increased significantly, which is much higher than Indian domestic demand of Sorbitol. Therefore, India has export surplus of Sorbitol. Thus, removal of anti-dumping duty on Sorbitol would likely lead increase in volume of dumped imports at substantially lower price, which will negatively impact on the quantities and prices of the domestic industry, resulting likely substantial adverse effects on the overall performance of the domestic industry.

With regard to changed circumstances, the Applicant has provided evidence that the cost of production and sale of Sorbitol in India has increased substantially during last five years whereas export price of Sorbitol from India to Pakistan has declined during the POR, which depicts that the Indian exporters have absorbed anti-dumping duty and dumping margin has been increased.

Continuation of Anti-dumping Duty

In terms of Section 58(3) of the Act, the anti-dumping duty imposed on dumped imports of Sorbitol from India will remain in-force pending the outcome of the review.

Schedule of the Review

Date of initiation of the review: The date of publication of this notice in the newspapers in Pakistan
Date of conclusion of review: Within twelve months of the date of publication of notice of initiation of the review.

Interested Parties

Interested parties, as defined in Section 2(j) of the Act, are requested to identify themselves to the Secretary, National Tariff Commission, State Life Building No. 5, Blue Area, Islamabad, Tel: +9251-9202839 Fax: +9251-9221205 not later than 10 days after publication of this notice. An interested party applying for registration with the Commission in this review should submit; the name of the company, its line of business, name of authorized person, address, telephone number and fax number. All interested parties are invited to make their views/comments known to the Commission, and to submit information and documents (if any) not later than 45 days of the date of publication of this notice in the press in Pakistan. All data and information regarding this investigation should be submitted to the Secretary of the Commission.

Hearing

Any party as defined in Section 2(j) of the Act may, if so wishes, request a hearing in accordance with Rule 14 of the Anti-Dumping Duty Rules 2001 (the Rules) within 45 days of the publication of this notice by contacting Secretary, National Tariff Commission, State Life Building No.5, Blue Area, Islamabad. Telephone No. +92-51-9202839. Fax No. +92-51-9221205

Further Information

For further information please contact, Director (Investigation-II), Tel: +9251-9218968, Fax: +92-51-9221205. General information may also be obtained by accessing the Commission's official website www.ntc.gov.pk.

By the order of the Commission

(Ali Muhammad Shah)
Secretary, NTC
August 22, 2020