

ADC No. 58/2020/NTC/YCP
National Tariff Commission
Government of Pakistan

Notice of Preliminary Determination of Antidumping Investigation on Dumped Imports of Inorganic Yellow Chrome Pigment from Republic of India and Republic of Korea

The National Tariff Commission (the "Commission") initiated an antidumping investigation on February 29, 2020 under Section 23 of the Anti-Dumping Duties Act, 2015 (the "Act") concerning dumping of Inorganic Yellow Chrome Pigment from Republic of India and Republic of Korea (the "Exporting Countries") into Pakistan and material injury caused by such dumped imports to the domestic industry manufacturing Inorganic Yellow Chrome Pigment. The application for this investigation was lodged by Poplon Pakistan Private Limited, Lahore (the "Applicant"). The Applicant is the only producer of Inorganic Yellow Chrome Pigment in Pakistan. The Commission after investigation in accordance with provisions of the Act and the Anti-Dumping Duties Rules, 2001 (the "Rules") has determined the following on a preliminary basis:

Product Under Investigation: The investigated product is Inorganic Yellow Chrome Pigment. The investigated product falls under Pakistan Customs Tariff ("PCT") No 3206.2010. It is in powder form in various types/shades. The investigated product is used in manufacturing of Paints, Inks, leather coating by tanneries and in master batches to produce various plastic items.

Period of Investigation (POI): For determination of dumping and injury, the POI is as follows:

For determination of dumping: From January 01, 2019, to December 30, 2019

For determination of injury: From January 01, 2017, to December 30, 2019

Determination of Dumping: The Commission has not received any information from any of the exporter/ foreign producer from the Exporting Countries in this investigation. Dumping of the investigated product is, therefore, determined on the basis of best information available in terms of Section 32 of the Act. As no exporter/ foreign producer from the Exporting Countries has provided the requisite information, therefore, no individual dumping margin has been determined. Country wise preliminary dumping margins have been determined for the Exporting Countries, which works out 59.21% for India and 58.40% for Korea of the C&F price.

Injury to the Domestic Industry: The Commission, on preliminary basis has determined that the volume of dumped imports of the investigated product increased significantly relative to the production of the domestic like product during the POI. Dumped imports of the investigated product undercut the prices of the domestic like product throughout the POI. The domestic industry also suffered price suppression during POI. Market share of the dumped imports increased whereas domestic industry lost market share during the POI. The domestic industry also suffered injury during the POI on account of decline in: sales, profits, production, productivity, return on investment, capacity utilization and the magnitude of margin. In addition, the domestic industry suffered injury during the POI on account of negative effect on cash flows, employment, wages, growth, ability to raise capital or investments.

Dumped imports of the investigated product have caused material injury to the domestic industry during the POI. Main reasons for material injury to domestic industry were the volume and prices of the dumped imports of the investigated product, as both happened simultaneously in the POI. Thus, there was consequential adverse/negative effects of volume and prices of the dumped imports on other injury factors such as sales, production, market share, capacity utilization, profits & profitability, cash flows, return on investment, employment, and productivity etc. Further, there were no other factors which caused injury to the domestic industry during the POI.

Imposition of Provisional Anti-dumping Duties: In reaching this affirmative preliminary determination, the Commission is satisfied that the investigated product has been imported at dumped prices. Therefore, imposition of provisional antidumping duties on dumped imports of the investigated product is needed in accordance with Section 43 of the Act to prevent injury being caused to the domestic industry during the

course of this investigation. For the purpose of imposition of lesser duty in accordance with Section 43(1) 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. The injury margins work 51.91 percent for India and 26.59 percent for Korea, which are lower than the dumping margins determined for the Exporting Countries i.e. 59.21 percent for India and 58.40 percent for Korea of the C&F price. **Therefore, provisional antidumping duties at the rate of 51.91 percent *ad valorem* of the C&F price on imports from India and 26.59 percent *ad valorem* of the C&F price on imports from Korea** are hereby imposed for a period of four months effective from August 25, 2020. Yellow chrome pigment imported from sources other than the Exporting Countries shall not be subject to the above-mentioned provisional antidumping duties.

Hearing: Any party registered as an interested party in this case may, if it so wishes, request a hearing in accordance with Rule 14 of the Rules within 30 days of the publication of this notice by contacting the Secretary, National Tariff Commission, State Life Building No.5, Blue Area, Islamabad. Telephone No. +92-51-9202839, Fax No.+92-519221205.

Final Determination: In terms of Section 39 of the Act, the Commission is required to make final determination within 180 days of publication of notice of Preliminary Determination.

Further Information: A non-confidential version of the detailed report of preliminary determination is placed on the public file established and maintained by the Commission. The same is also posted on the Commission website www.ntc.gov.pk.

Authority under Law: This notice is published pursuant to Section 37 of the Act by order of the Commission.

-sd-

(Mahmood Alam)
Deputy Director, NTC
August 25, 2020