

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

Notice of Final Determination and Imposition of Definitive Anti-dumping Duties 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 M/s Poplon Pakistan Private Limited, Lahore (the "Applicant"). The Applicant is the only producer of Inorganic Yellow Chrome Pigment in Pakistan. The Commission made a preliminary determination in this case in terms of Section 37 of the Act on August 25, 2020. The Commission after investigation in accordance with provisions of the Act and the Anti-Dumping Duties Rules, 2001 (the "Rules") has made affirmative final determination in this investigation as follows:

Investigated Product: 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-wide dumping margins have been determined for the Exporting Countries, which works out 59.60% for India and 59.94% for Korea at ex-factory level.

Injury to the Domestic Industry: The Commission 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 dumping margin. In addition, the domestic industry suffered injury during the POI on account of negative effect on cash flows, employment and wages.

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 Definitive Anti-dumping Duties: In reaching this final determination, the Commission is satisfied that the investigated product has been exported at dumped prices from the Exporting Countries, which has caused injury to the domestic industry. Therefore, the Commission is required to impose antidumping duties on dumped imports under Section 50(1) of the Act.

Regulatory duty ("RD") @ 15% on imports of Yellow Chrome Pigment is imposed with effect from 1st July 2020, which will be terminated on 30 June 2021 if not rescinded earlier. Keeping in view the conditions of imposition of regulatory duty on imports of Yellow Chrome Pigment, injury margins are calculated with and without taking into account effects of regulatory duty. Injury margins with regulatory duty works out 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 prices. However, the injury margin without regulatory duty for India works out 66.91 percent which is above the dumping margin determined for India i.e. 59.21 percent, whereas the injury margin without regulatory duty for Korea works out 41.59 percent which is lower than the dumping margin determined for Korea i.e. 58.40 percent.

In view of the above injury margins, in accordance with Section 50 of the Act the Commission has imposed following definitive antidumping duties on dumped imports of the investigated product importable from the Exporting Countries for a period of five years effective from August 25, 2020. The investigated product is classified under PCT heading No. 3206.2010:

Country Name	Definitive Duty rates (%)	
	Current (with RD)	On withdrawal of RD
India	51.59	59.21
Korea	26.59	41.59

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 duties 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.

Further Information: A non-confidential version of the detailed report of final 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 39 of the Act by order of the Commission.

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(Ali Muhammad Shah)
Secretary, NTC
December 17, 2020