

Notice of Conclusion 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") has conducted a Sunset and Changed Circumstances Review (the "Review") of anti-Dumping duty imposed on dumped imports of Sorbitol 70% Solution, ("Sorbitol") into Pakistan originating in and/or exporting from India under Section 58(3) and 59(1) of the Anti-Dumping Duty Act, 2015 (the "Act"). The Review was initiated on August 22, 2020 upon receipt of an application under from M/s Habib Rice Products Limited, Karachi (the "Applicant"), a domestic producer of Sorbitol. The Commission had imposed anti-dumping duty of 16.97% *ad valorem* with effect from August 25, 2015 for a period of five years on Sorbitol imported from India. In accordance with the provisions of the Act and the Anti-Dumping Duties Rules, 2001 (the "Rules"), the Commission has conducted and concluded the Review as follows:

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 antidumping 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.

Period for the Review ("POR")

The POR for sunset Review was from July 01, 2017 to June 30, 2020, whereas the POR for dumping determination (changed circumstances) was from July 01, 2019 to June 30, 2020

Changed Circumstances Review

The Commission's investigation has revealed that the available data does not support the claims made by the Applicant that circumstances for production and sales of Sorbitol in India have significantly changed. It has therefore concluded that re-determination of anti-dumping duty is not required.

Likelihood of Continuation of Dumping of the Product Under Review

After investigation the Commission has determined that there is likelihood of continuation of dumping of the product under review as India has huge export surplus of the product under review, Pakistan is a major export destination of the product under review and Indian exporters have continued to export at dumped price after imposition of anti-dumping duty on the product under review.

Likely Continuation and Recurrence of Injury to the Domestic Industry

Likelihood of continuation and/or recurrence of injury to the domestic industry has been determined by the Commission in accordance with Section 58 (3) of the Act. In this regard factors and indices listed in Sections 15 and 17 of the Act for injury analysis have been analyzed to determine the likelihood of continuation and/or recurrence of injury in case antidumping duty on Sorbitol is terminated. The Commission has determined that, should the anti-dumping duty lapse, the domestic industry would be likely to suffer material injury on account of volume of imports, negative effects on production, sales, capacity utilization, loss in market share and sales; price undercutting, price depression and price suppression, negative effects on productivity, decline in profits etc.

Continuation of the Anti-dumping Duty

In view of the analysis and conclusions with regard to likely continuation and recurrence of dumping of the product under review from India and likely continuation/recurrence of material injury to the domestic industry, there is a need to continue imposition of definitive anti-dumping duty on dumped imports of the

product under review. Thus, the Commission has decided to continue definitive anti-dumping duty @ **16.97** percent *ad valorem* imposed on dumped imports of the product under review for another period of 5 years with effect from August 25, 2020. However, in accordance with Section 51(e) of the Act, definitive antidumping duty will not be levied on imports of the product under review that are 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.

In accordance with Section 51 of the Act, the 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 purpose. Release of the dumped imports of the product under review for free circulation in Pakistan shall be subject to imposition of such antidumping duty.

Definitive antidumping duty levied would be in addition to other taxes and duties leviable on import of the product under review 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.

Further Information: A non-confidential version of the report on conclusion of the Review has been placed on public file established and maintained by the Commission for this Review. The report has also been posted on the Commission's website: www.ntc.gov.pk. The public file shall be available to the interested parties, registered with the Commission for the purposes of this Review, for review and copying at the office of the Commission, from Monday to Thursday (except public holidays) between 1100 hrs to 1300 hrs.

By order of the Commission.

(Abdul Qadir Haryah)
Deputy Director
August 21, 2021