



**Government of Pakistan
National Tariff Commission**

Report on

**Preliminary Determination of Anti-Dumping Investigation and Levy of
Provisional Anti-dumping Duty on Dumped Imports of Pure Terephthalic
Acid (PTA) into Pakistan Originating in and/or Exported from the
People's Republic of China**

**A.D.C. No. 70/2025/NTC/PTA
January 01, 2026**

Preliminary Determination and Levy of Provisional Anti-dumping duties against Dumped imports of Pure Terephthalic Acid (PTA) into Pakistan Originating in and/or Exported from the People's Republic of China

National Tariff Commission (the "Commission") having regard to the Anti-Dumping Duties Act, 2015 (the "Act"), the Anti-Dumping Duties Rules, 2022 (the "Rules") and the WTO's Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (the "Anti-dumping Agreement").

2. Under the Act, the Commission is responsible for conducting anti-dumping investigations for determination of dumping of the imported products, injury to the domestic industry caused by dumped imports and imposition of anti-dumping duties to offset injurious impact of such imports on domestic industry.

3. The Commission is conducting an investigation against dumped imports of Pure Terephthalic Acid (PTA) into Pakistan Originating in and/or Exported from the People's Republic of China ("China") under the Act and the Rules.

4. In terms of Section 37 of the Act, the Commission shall make a preliminary determination of dumping and injury, if any, not earlier than sixty days and not later than one hundred and eighty days, after initiation of an investigation. Such preliminary determination shall be based on the information available to the Commission at that time. This investigation was initiated on August 16, 2025. The Commission has made a preliminary determination in this investigation under Section 37 of the Act. This report of preliminary determination has been issued in accordance with Rule 12 of the Rules.

5. The preliminary determination is based on the data /information available to the Commission at this time.

A. PROCEDURE

6. The procedure set out below has been followed with regard to this investigation.

7. Receipt of Application

7.1 The Commission has received an application under Sections 20 and 24 of the Act on July 14, 2025, from M/s. Lotte Chemical Pakistan Ltd., Karachi (the "Applicant"). The Applicant is the sole producer of Pure Terephthalic Acid ("PTA") in Pakistan and alleged that PTA is being exported to Pakistan at dumped prices from the People's Republic of China ("China"). The PTA falls under Pakistan Customs Tariff ("PCT") No. 2917.3610. According to the Applicant, the dumped import of PTA from China has caused and is causing material injury to the Pakistan's domestic industry producing PTA.

7.2 The Commission informed the Diplomatic Mission of China in Islamabad through a note verbal dated July 18, 2025, of the receipt of application in accordance with the requirements of Section 21 of the Act.

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8. Evaluation and Examination of the Application

The examination of the application showed that the data / information provided in it met the requirements of Section 20 of the Act, as it contained evidence of dumping of PTA into Pakistan from China and consequent material injury to the domestic industry caused therefrom. Requirements of Rule 3 of the Rules, which relate to the submission of requisite data / information prescribed therein were also found to have been met.

9. The Domestic Industry

9.1 Section 2(d) of the Act defines domestic industry as:

"Domestic industry" means the domestic producers as a whole of a domestic like product or those of them whose collective output of that product constitutes a major proportion of the total domestic production of that product, except that when any such domestic producers are related to the exporters or importers, or are themselves importers of the allegedly dumped investigated product in such a case "domestic industry" shall mean the rest of the domestic producers". Explanation:- For the purposes of this clause, producers shall be deemed to be related to exporters or importers only if:

- (i) one of them directly or indirectly controls the other;
- (ii) both of them are directly or indirectly controlled by the same 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 and for that purpose one shall be deemed to control another when the former is legally or operationally in a position to exercise restraint or direction over the latter".

9.2 As per the information available with the Commission, the Applicant is only unit in Pakistan manufacturing PTA. Therefore, the Applicant constitutes 100 percent of the domestic production of the domestic like product. Installed production capacity of the Applicant is 506,750 metric ton ("MT") per annum. The Applicant has commenced commercial production of PTA in 1998.

10. Standing of the Application

10.1 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."

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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.”

10.2 The Applicant is the only domestic producer of PTA in Pakistan. Therefore, it represents 100 percent of the domestic production of PTA. Thus, the application fulfills requirements of Section 24 of the Act.

11. Applicant's View

11.1 The Applicant, *inter alia*, raised the following issues in application regarding dumping of PTA and material injury to the domestic industry caused therefrom:

- i. PTA imported from China into Pakistan and PTA produced in Pakistan by the domestic industry are like products;
- ii. Exporters/producers from China are exporting PTA to Pakistan at dumped prices; and
- iii. Exports of PTA by the exporters/producers from China to Pakistan at dumped prices have caused and are causing material injury to the domestic industry producing PTA mainly through:
 - (a) Increase in volume of dumped imports;
 - (b) price undercutting;
 - (c) price depression;
 - (d) price suppression;
 - (e) decline in productivity;
 - (f) decline in capacity utilization;
 - (g) decline in sales;
 - (h) decline in profits;
 - (i) decline in return on investment;
 - (j) negative effect on inventories;
 - (k) negative effect on cash flows;
 - (l) negative effects on employment, productivity and salaries & wages;
 - (m) magnitude of dumping margins

11.2 The Applicant made following requests to the Commission:

- i. Initiate an investigation against dumping of PTA from China under Section 23 of the Act;

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- ii. Impose appropriate antidumping duties on dumped imports of PTA in accordance with Section 50 of the Act; and
- iii. Impose provisional measures under Section 43 of the Act to prevent injury being caused during the investigation.

12. Exporters /Foreign Producers of PTA

The Applicant identified 11 exporters/producers of PTA from China who are involved in dumping of the investigated product. Out of 11 exporters, six are the producers of PTA from China. The Applicant further stated that there may be other exporters / producers, but they are unknown to it. Therefore, the Applicant has requested for imposition of anti-dumping duties on all imports of PTA originating in and/or exported from China.

13. Initiation of Investigation

13.1 The Commission examined accuracy and adequacy of the evidence and information provided in the application in accordance with Section 23 of the Act and established that there was sufficient evidence of dumping of PTA into Pakistan from China and consequent material injury to the domestic industry. Therefore, the Commission decided to initiate the investigation and accordingly, 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 August 16, 2025.

13.2 In pursuance of Section 27 of the Act, the Commission notified the Diplomatic Mission of China in Islamabad of the initiation of investigation (by sending a copy of the notice of initiation) on August 18, 2025, with a request to forward it to all exporters/producers of PTA in China, who are involved in its production, sale and export. Copy of the notice of initiation was also sent on August 18, 2025, to 11 exporters/ producers of PTA from China (whose addresses were available with the Commission), Pakistani importers and the Applicant on August 18, 2025.

13.3 In accordance with Section 28 of the Act, a copy of full text of the written application (non-confidential version) and Exporter's Questionnaire were sent on August 18, 2025, to all exporters/producers of PTA in China, whose complete addresses were available with the Commission. On August 18, 2025 copy of the full text of the written application along with Exporter's Questionnaire was also sent to the Diplomatic Mission of China in Pakistan with a request to forward it to all exporters/producers in China, who are involved in production and/or sale, export of PTA to Pakistan. Importers Questionnaire was also sent on August 18, 2025 to known importers of PTA to provide the requisite data/information.

¹ The official Gazette of Pakistan (Extraordinary) dated August 16, 2025.

² The 'Express Tribune' and 'Dunya News' dated August 16, 2025 issue.

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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 as defined in notice of initiation is Pure Terephthalic Acid (hereinafter referred to as "PTA" or "the investigated product"), having chemical formula C₈H₆O₄ imported from China. PTA is a white crystalline powder. The investigated product is a highly pure compound derived from the oxidation of Paraxylene, making it an essential feedstock for the production of polyester fibers, PET resin, and related polymer-based applications. The investigated product falls under Pakistan Customs Tariff ("PCT") No. 2917.3610.

14.3.2 The investigated product is a key raw material for Pakistan's Textile and Packaging industries and is primarily used in the manufacturing of Polyester Staple Fiber ("PSF"), Polyester Filament Yarn ("PFY"), and Polyethylene Terephthalate ("PET") Resin.

14.3.3 Following is the customs tariff applicable on imports of PTA:

Table - I
Tariff Structure of Pure Terephthalic Acid (PTA) for 2025-26

PCT Code	Description	CD	ACD	RD	Concessions/ FTA Rates
(1)	(2)	(3)	(4)	(5)	(6)
29.17	Polycarboxylic acids, their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives.				
2917.3610	--- Pure Terephthalic Acid (PTA)	5%	0%	0%	MY=20.

Source: Pakistan Customs Tariff - Federal Board of Revenue

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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 Pure Terephthalic Acid (PTA), having chemical formula $C_8H_6O_4$, produced by the domestic industry (the "domestic like product"). It is a white, crystalline powder. PTA is a highly pure compound derived from the oxidation of Paraxylene, making it an essential feedstock for the production of polyester fibers, PET resin, and related polymer-based applications. The domestic like product is also classified under PCT Heading No. 2917.3610.

14.4.3 The domestic like product is a key raw material for Pakistan's Textile and Packaging industries and is primarily used in the manufacturing of Polyester Staple Fiber ("PSF"), Polyester Filament Yarn ("PFY"), and Polyethylene Terephthalate ("PET") Resin.

14.5 Like Product

14.5.1 In terms of Section 2(m) of the Act, like product means a product, which is alike to an investigated product in all respects 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.

14.5.2 The domestic like product and the investigated product are, apparently, like products as both products have the same usages, are classified under the same PCT Heading, manufactured from the same raw materials with similar production process and are substitutable in use and application.

14.5.3 There is no difference between the investigated product, the domestic like product and PTA imported from sources other than China as all the three products are:

- i. produced with same/similar inputs and manufacturing process;
- ii. have same/similar appearance;
- iii. are substitutable in use and application.

14.5.4 Therefore, the Commission is satisfied that the investigated product, domestic like product and PTA imported from sources other than China are like products in terms of Section 2(m) of the Act.

15. Period of Investigation

15.1 In terms of Section 36 of the Act, Period of Investigation (hereinafter referred to as "POI") is:

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- 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 POI selected for the purposes of this investigation for dumping and injury is as follows:

For determination of dumping:	From 1st April 2024 to 31st March 2025.
For determination of injury:	From 1st April 2022 to 31st March 2025.

16. Information/Data Gathering

16.1 The Commission sent Exporter's Questionnaire on August 18, 2025, to all known exporters/foreign producers of PTA from China, whose addresses were available with the Commission, for collection of data/information. The exporters/foreign producers were asked to respond within 37 days of dispatch of the Questionnaire. On August 18, 2025, the Questionnaire was also sent to the Diplomatic Mission of China in Islamabad with a request to forward it to all exporters/foreign producers of the investigated product in China.

16.2 No response from any exporter/ foreign producer was received within the prescribed time. Therefore, reminders were issued to them on September 29, 2025, explaining them in case of no response to the questionnaire is received, the Commission will be constrained to make determination of dumping for them on the basis of "Best Information Available" including that contained in the application submitted by the domestic industry. In response to reminders, the exporters /producers requested for extension in the timeline for provision of information. After taking into account the due cause shown by these exporters/foreign producers in their requests, the Commission acceded to their requests and granted an extension in time period for submission of information on Exporter's Questionnaire up to October 15, 2025. The Commission received filled-in Exporter's Questionnaires from two exporters/producers of PTA in China within the prescribed time limit. i.e. M/S INEOS Aromatics Asia Limited (Exporter)/ INEOS Zhuhai Chemical Co., Ltd (Producer) and Zhejiang Dushan Energy Co., Limited.

16.3 Upon examination of the information received from the above-mentioned exporters/foreign producers, certain deficiencies were found in the information supplied by them. These deficiencies were communicated to the exporters/foreign producers and were requested to supply the deficient information.

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16.4 On August 18, 2025, Questionnaires were also sent to Pakistani importers of the investigated product known to the Commission and these importers were asked to respond within 37 days of dispatch of the Questionnaires, followed by reminders on September 29, 2025. Three of the Pakistani importers namely M/s Ibrahim Fibres Limited, M/s Lucky Core Industries and M/s Huafon Pakistan Pvt. Ltd. gave information to the Commission on importer questionnaire. The data/information submitted by above-mentioned importers / industrial users has been considered while making this preliminary determination.

16.5 For subject investigation, the Commission has used data/ information obtained from Pakistan Customs/WEBOC in addition to the information provided by the Applicant, importers and the exporters / producers of PTA from China.

16.6 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. The Commission received written submissions/comments from the following parties:

- a. M/s ATS Syntheic (Pvt) Limited;
- b. M/s Lucky Core Industries Limited;
- c. M/s Ibrahim Fibres Limited;
- d. M/s Gatron Industries Limited
- e. M/s Novatex Limited;
- f. M/s Ismail Resin Private Limited; and
- g. M/s Pakistan Synthetics Limited

16.7 Views/comments and the information submitted by the above-mentioned interested parties have been considered in making this preliminary determination. Views/ comments of the interested parties germane to this investigation and response of the Commission are given in annotated form at Annexure-I.

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

17. Questionnaire(s) Response by Exporters / Producers of PTA from China

17.1 Questionnaire Response by INEOS Zhuhai Chemical Co., Ltd.

17.1.1 The Commission sent the Exporter's Questionnaire on August 18, 2025 to the exporters /producers of PTA in China. On September 23, 2025, the exporter namely M/s INEOS Aromatics Asia Limited applied for time extension till October 17, 2025 for submission of response to questionnaire. The Commission granted the extension to the exporter after considering the reasons given in the request until October 15, 2025. The response of the exporter was received by the Commission on October 15, 2025.

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17.1.2 According to the information provided in response to the questionnaire, M/s INEOS Zhuhai Chemical Co., Ltd has been engaged in the manufacture, sale and export of PTA to Pakistan as well as to other countries and in its domestic market during the POI. M/s INEOS Zhuhai Chemical Co., has exported PTA to Pakistan through its related exporter namely M/s INEOS Aromatics Asia Limited.

17.1.3 The information submitted by M/s INEOS Zhuhai Chemical Co./ M/s INEOS Aromatics Asia Limited in response to the questionnaire was analyzed at the Commission and certain deficiencies were identified. Accordingly, those data deficiencies were communicated to M/s INEOS Zhuhai Chemical Co./ M/s INEOS Aromatics Asia Limited on November 20, 2025. The data/information submitted by M/s INEOS Zhuhai Chemical Co./ M/s INEOS Aromatics Asia Limited necessitates further clarifications, and verification, which will be made after this preliminary determination.

17.1.2 M/s Zhejiang Dushan Energy Co., Limited

17.1.2.1 M/s Zhejiang Dushan Energy Co., Ltd. (Hereinafter Referred to as "M/s Dushan"), was granted extension for submission of Exporter Questionnaire until October 15, 2025. Dushan submitted exporter questionnaire to the Commission on October 15, 2025

17.1.2.2 According to the information provided by M/s Dushan is a private limited liability company which is established in November 2016. It has been engaged in the manufacture, sale and export of PTA to Pakistan as well as to other countries and in its domestic market during the POI.

17.1.2.3 The information submitted by M/s Dushan in response to the questionnaire was analyzed at the Commission and certain deficiencies were identified. Accordingly, those data deficiencies were communicated to M/s Dushan on November 20, 2025. The data/information submitted by M/s Dushan necessitates further clarifications and verification, which will be made after this preliminary determination.

18. Verification of the Data/Information

18.1 In terms of Sections 32(4) and 35 of the Act and Rule 11 of the Rules, during the course of an investigation, the Commission shall satisfy itself as to the accuracy of the data /information supplied by the interested parties and for this purpose verify the data /information.

18.2 In order to verify information/data provided by the Applicant, the officers of the Commission conducted on the spot investigation at office and plant of the Applicant from October 08 to 10, 2025. The report of on-the-spot investigation/verification was provided in full to the Applicant and a non-confidential version of the same was made available to other interested parties by placing it in the Public File.

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18.3 In order to verify the information/data provided by M/s Zhuhai Chemical Co., Ltd/ M/s INEOS Aromatics Asia Limited and M/s Zhejiang Dushan Energy Co., Ltd, the officers of the Commission will conduct on-the-spot investigation at offices and plants of both these exporters /producers after the preliminary determination.

19. Public File

19.1 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 11:00 hours to 13:00 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.

20. Confidentiality

20.1 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.

20.2 The Applicant and interested parties 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.

20.3 On the basis of request made by the Applicant and interested parties, 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 Applicant made a request to keep it confidential.

20.4 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.

B. DETERMINATION OF DUMPING

21. Dumping

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

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"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".

22. Normal Value

22.1 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".

22.2 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:".

22.3 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 –

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- "(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."

23. 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".

24. Dumping Determination:

As stated earlier (15.2 supra) the Commission has received necessary data/information in response to the Exporter's Questionnaires from only two exporters/ foreign producers of the investigated product in this investigation, i.e. M/s INEOS Aromatics Asia Limited (Exporter)/ M/s INEOS Zhuhai Chemical Co., Ltd (Producer) and M/s Zhejiang Dushan Energy Co., Limited. Therefore, individual dumping margin has been determined for these two exporters/producers on the basis of information provided by them, whereas, dumping margin of the investigated product for all other exporters from China has been determined on basis of Best Available Information in accordance with Section 32 of the Act. Details of determination of normal value, export price and dumping margin are provided in the following paragraphs.

25. Determination of Normal Value for M/s INEOS Zhuhai Chemical Co., Ltd:

25.1 Normal value for M/s INEOS Zhuhai Chemical Co., Ltd. has been determined on the basis of the data/information provided by it on its domestic sales made during the POI (provided in Attachment D-3 of the questionnaire response).

25.2 According to the information, M/s INEOS Zhuhai Chemical Co., Ltd. sold like product in its domestic market during the POI. Section 7 of the Act requires the Commission to determine ordinary course of trade for domestic sales to determine normal value. Investigation has revealed that all the sales made by M/s INEOS Zhuhai Chemical Co., Ltd. in its domestic market were at loss and below cost. Thus, the Commission has determined the normal value on the basis of cost to make and sell of the like product of M/s INEOS Zhuhai Chemical Co., Ltd. plus a reasonable amount for profit @ 9%. Based on above methodology, the normal value for the M/s INEOS Zhuhai Chemical Co., Ltd has been worked out.

26. Determination of Normal Value for M/s Zhejiang Dushan Energy Co., Limited:

26.1 Normal value for M/s Zhejiang Dushan Energy Co., Limited. has been determined on the

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basis of the data/information provided by it on its domestic sales made during the POI (provided in Attachment D-3 of the questionnaire response).

26.2 According to the information, M/s Zhejiang Dushan Energy Co., Limited sold like product in its domestic market during the POI. Section 7 of the Act requires the Commission to determine ordinary course of trade for domestic sales to determine normal value. Investigation has revealed that out of total sales, 63.60% sales were at loss while 36.40% sales were profitable sales. Below costs sales were in substantial quantities in terms of Section 7(2) of the Act. Thus, in determination of normal value for the investigated product, the Commission disregarded sales which were not in the ordinary course of trade in accordance with provisions of Section 7 of the Act. The sales which were in ordinary course of trade are in sufficient quantities to determine normal value in terms of Section 6(2) of the Act as these sales are more than 5 percent of the export sales of the investigated product exported by it to Pakistan during the POI.

26.3 During the POI, M/s Zhejiang Dushan Energy Co., Limited sold like product in its domestic market at ex works basis. To arrive at the ex-factory price, M/s Zhejiang Dushan Energy Co., Limited, has claimed no adjustment.

26.4 Based on above methodology, the normal value for the M/s Zhejiang Dushan Energy Co., Limited has been worked out.

27. Determination of Export Price M/s INEOS Aromatics Asia Limited:

27.1 Export price for M/s INEOS Aromatics Asia Limited is determined on the basis of the information provided by it on its export sales of the investigated product to Pakistan made during the POI.

27.2 According to the information, M/s INEOS Aromatics Asia Limited exported the investigated product to Pakistan during the POI. All export sales to Pakistan, during the POI, were made to un-related customers.

27.3 During the POI, M/s Aromatics Asia Limited exported investigated product mostly on LC plus 90 days at FOB and C&F level. To arrive at the ex-factory level, it has reported adjustments on account of credit cost, inland freight, ocean freight, bank charges, and handling charges. The Commission has provisionally accepted all these adjustments claimed by M/s Aromatics Asia Limited. These adjustments claimed shall be subject to further verification. The export price at ex-factory level has been worked out by deducting values reported for accepted adjustments from the gross value of sales transactions.

27.4 Based on the above methodology and information, export price of the investigated product for M/s INEOS Aromatics Asia Limited is provided below:

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Table-II Export Price for M/s INEOS Aromatics Asia Limited	
Gross Value at FOB	100.00
Adjustments:	-
Credit Cost	0.73
Inland freight	0.18
Ocean freight	0.07
Handling Charges	0.36
Bank Charges	0.04
Total Adjustments	1.46
Net Value	98.54

Source: Data provided by M/s INEOS

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of gross value at FOB by taking it equal to 100

28. Determination of Export Price for Zhejiang Dushan Energy Co., Limited

28.1 Export price for M/s Zhejiang Dushan Energy Co., Limited has been determined on the basis of the information provided by it on its export sales of the investigated product to Pakistan made during the POI.

28.2 According to the information, M/s Zhejiang Dushan Energy Co., Limited exported the investigated product to Pakistan during the POI. All export sales to Pakistan, during the POI, were made to un-related customers.

28.3 During the POI, M/s Zhejiang Dushan Energy Co., Limited exported investigated product mostly on LC plus 30 days at FOB and C&F level. To arrive at the ex-factory level, it has reported adjustments on account of credit cost, commission, inland freight, ocean freight, bank charges, and handling charges. The Commission has provisionally accepted all these adjustments claimed by M/s Zhejiang Dushan Energy Co., Limited. These adjustments claimed shall be subject to further verification. The export price at ex-factory level has been worked out by deducting values reported for accepted adjustments from the gross value of sales transactions.

28.4 Based on the above methodology and information, export price of the investigated product for M/s Zhejiang Dushan Energy Co., Limited is provided below.

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Table-III
Export Price for M/s Zhejiang Dushan Energy Co., Limited

Gross Value	100.00
Adjustments:	-
Credit Cost	0.62
Commission	0.82
Inland freight	0.62
Ocean freight	5.76
Handling Charges	0.82
Bank Charges	0.21
Total Adjustments	8.85
Net Value	91.15

Source: Data provided by M/s Zhejiang Dushan

Note: Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of gross value by taking it equal to 100

29. Dumping Margin

29.1 Section 2(f) of the Act defines dumping margin in relation to a product as "*the amount by which normal value exceeds its export price*".

29.2 Section 12 of the Act provides three methods for 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.

29.3 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.

29.4 Taking into account all requirements set out above, the preliminary dumping margins have been determined as follows.

Table-IV
Dumping Margin

Sr. No	Exporter Name	Dumping margin as % of Adjusted Export price	Dumping margin as % of C&F price
1	M/s INEOS Aromatics Asia Limited (Exporter)/ M/s INEOS Zhuhai Chemical Co., Ltd (Producer)	2.89	2.63
2	M/s Zhejiang Dushan Energy Co., Limited	16.83	15.35

29.5 A residual dumping margin has been determined for all other exporters/producers of China, who did not cooperate with the Commission in this investigation. The Commission has determined that dumping margin calculated for M/s Zhejiang Dushan Energy Co., Limited shall be applied to all other Chinese exporters/producers.

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30. De minimis Dumping Margins and Negligible Volume of Dumped Imports

30.1 In terms of Section 41(3) of the Act, 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, set out in paragraph 29.4 supra, is above the *de minimis* level.

30.2 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 per cent of the imports of like product.

30.3 Volume of dumped imports of PTA imported from China and other Source during the POI is given in the table below:

Table-V
Volume of Imports*

Country	Volume of Imports (%)
China	79.50
Other Source	20.50
Total	100

*Period: April 1, 2024, to March 31, 2025

Source: WeBOC

30.4 It appears from the above table that the volume of dumped imports of the investigated product from China is well above the negligible threshold (above 3 percent of total imports) set out in Section 41(3) of the Act.

C. INJURY TO DOMESTIC INDUSTRY

31. Determination of Injury

31.1 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..."*

31.2 Section 15 of the Act further provides that:

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"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".

31.3 The Commission has taken into account all injury factors in order to determine whether the Applicant 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.

31.4 The material injury to the domestic industry has been analyzed and summarized in the following paragraphs.

32. Volume of Dumped Imports

32.1 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 the volume of dumped imports of PTA, either in absolute terms or relative to the domestic production or consumption of the domestic like product manufactured by the Applicant during the POI.

32.2 In order to assess the increase in the volume of dumped imports of PTA in absolute terms or relative to production of the domestic like product, the information provided by the Applicant and obtained from WEBOC has been used. The following table shows the volume of dumped imports of the investigated product and production of the domestic like product during the POI for injury.

Table-VI
Volume of Dumped Imports of PTA

Period	Imports from:			Domestic production	Dumped imports as % of:	
	Dumped Source	Other Sources	Total		Total Imports	Domestic Production
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Apr 2022-Mar 2023	84	16	100	277	84.2	30.3
Apr 2023-Mar 2024	166	96	263	220	63.3	75.6
Apr 2024-Mar 2025	179	46	226	271	79.5	66.3

Sources: WEBOC and the Applicant

Note: Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of total imports in the year Apr 2022-Mar 2023 by taking it equal to 100

32.3 The above table reveals that the volume of dumped imports of the investigated product increased in absolute terms as well as relative to the domestic production of PTA during the POI. Dumped imports of the investigated product increased by 98 percent during Apr 2023-Mar 2024 and then further increased by 8 percent during Apr 2024-Mar 2025.

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32.4 Dumped imports of the investigated product also increased significantly relative to domestic production during the POI, as it increased from 30.3 percent of the domestic production during Apr 2022-Mar 2023 to 75.6 percent during Apr 2023-Mar 2024 and then declined to 66.3 percent during the last year of the POI.

32.5 On the basis of the above information and analysis the Commission has determined that the volume of dumped imports of the investigated product increased significantly in absolute terms as well as relative to domestic production during the POI and the domestic industry suffered consequent injury during the POI.

33. Price Effects

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 during the POI, 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:

33.1 Price undercutting

33.1.1 To assess effects of dumped imports of the investigated product on prices in the domestic market in accordance with Section 15(3) of the Act, the information obtained from WEBOC and that provided by the Applicant relating to prices of domestic like product is used. Following table shows the weighted average ex-factory prices of the domestic like product and weighted average landed cost of the investigated product during the POI:

Table-VII
Price Undercutting

Period	Sale Price of Domestic like Product	Landed Cost of Dumped Imports	Price undercutting (Percentage)
(1)	(2)	(3)	(4)
Apr 2022-Mar 2023	100	96	4.24
Apr 2023-Mar 2024	116	111	4.32
Apr 2024-Mar 2025	102	99	3.23

Sources: WEBOC and the Applicant

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t. figure of sale price domestic like product during the period Apr 2022-Mar 2023 by taking it equal to 100.

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33.1.2 The information in the table above shows that the weighted average landed cost of the investigated product remained lower than the weighted average ex-factory sale price of the domestic like product throughout the POI. The landed cost of the investigated product undercuts the prices of the domestic like product by 3.23 percent to 4.32 percent during the POI.

33.1.3 The above information and analysis shows that that the domestic industry suffered injury on account of price undercutting due to dumped imports of the investigated product during the POI.

33.2 Price Depression

The prices of the domestic like product during the POI are given in Table-VII, which shows that the ex-factory sales price of the domestic like product increased during the second year of the POI. However, in the final year (Apr 2024-Mar 2025), the price decreased significantly. Although prices rose initially, the decline in the third year of the POI coinciding with the peak volume of dumped imports indicates downward pressure on domestic like product prices. This shows that the domestic industry suffered injury on account of price depression during the last year of POI.

33.3 Price Suppression

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

Table-VIII
Price Suppression

Period	Cost to make and sell	Sale Price of Domestic product	Increase in:		Price Suppression
			Cost to make and sell	Sale Price	
(1)	(2)	(3)	(4)	(5)	(6)
Apr 2022-Mar 2023	85	100	-	-	-
Apr 2023-Mar 2024	108	116	23	16	7
Apr 2024-Mar 2025	98	102	(10)	(14)	-

Sources: The Applicant

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t. figure of sale price domestic like product during the period Apr 2022-Mar 2023 by taking it equal to 100.

33.3.2 The table above shows that in the period Apr 2023 -Mar 2024, the increase in the weighted average cost to make and sell of the domestic like product was more than the weighted average increase in the sale prices of the domestic like product as the domestic industry was not able to raise its prices to recover the increase in the weighted average cost to make and sell. This resulted in price suppression, as the industry could not fully recover the increase in the weighted average cost to make and sell in the presence of increased volume of dumped imports.

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33.3.3 During the period April 2024–March 2025, although the cost to make and sell declined, the domestic industry was compelled to reduce its prices by greater margin. This shows that the benefit of reductions in cost was not retained by the domestic industry to improve its margins; rather, prices were aggressively reduced, further eroding profitability.

33.3.4 Based on the foregoing information and analysis, it is determined that the domestic industry faced injury on account of price suppression during the POI.

34. Effects on Market Share

34.1 Size of the domestic market for PTA is established by adding domestic sales of PTA by the domestic industry and imports of the investigated product from dumped source and imports of PTA from other sources. Table-IX shows the market share of each source of supply of PTA during POI.

Table-IX
Market Share

Period	Domestic Industry's sales		Sources of Imports:				Total Domestic Market	
	(2)	(3)	Dumped imports		Other imports			
			(4)	(5)	(6)	(7)	(8)	(9)
Apr 2022-Mar 2023	74	74	22	22	4	4	100	--
Apr 2023-Mar 2024	57	45	44	35	25	20	126	26
Apr 2024-Mar 2025	70	54	47	37	12	9	129	2

Sources: WEBOC and the Applicant

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of total market during the period Apr 2022-Mar 2023 by taking it equal to 100.

34.2 The above table shows that the domestic market of PTA increased by 26 percent during Apr 2023 - Mar 2024 and then further increased by 2 percent during Apr 2024 - Mar 2025.

34.3 It is evident from the table above that despite the expansion in the total domestic market, the market share of the domestic industry declined significantly from 74 percent in April 2022–March 2023 to 45 percent in April 2023–March 2024, with only a partial recovery to 54 percent in April 2024–March 2025. In contrast, the market share of dumped imports increased from 22 percent in the first year of the POI to 37 percent in the third year of the POI. This trend clearly indicates that dumped imports captured a substantial share of the expanding market at the expense of the domestic industry.

34.4 On the basis of the above facts and analysis, it is determined that the domestic industry suffered injury on account of loss of market share during the POI.

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35. Effects on Sales

35.1 Sales of the domestic like product of the Applicant are given in the following table:

Table-X
Domestic Sales

Period	Volume	% change
(1)	(2)	(3)
Apr 2022-Mar 2023	100	---
Apr 2023-Mar 2024	77	(23)
Apr 2024-Mar 2025	95	22

Source: The Applicant

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of domestic sales during the period Apr 2022-Mar 2023 by taking it equal to 100.

35.2 The above table shows that sales of the domestic like product decreased significantly by 23 percent in the second year of POI, before recovering to 22 percent in the final year. Despite the recovery in the last year, sales volumes remained below the levels achieved at the beginning of the POI, even though the total market size had expanded.

35.3 Therefore, it is determined that the domestic industry suffered injury on account of sales volume during the POI.

36. Effects on Production and Capacity Utilization

36.1 The following table shows installed production capacity, production of the domestic like product and capacity utilization of the domestic industry during the period of original investigation:

Table-XI
Capacity Utilization

Period	Installed capacity	Production	Capacity utilization (%)
(1)	(2)	(3)	(4)
Apr 2022-Mar 2023	100	88	88
Apr 2023-Mar 2024	100	70	70
Apr 2024-Mar 2025	100	85	85

Source: The Applicant

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of installed capacity during the period Apr 2022-Mar 2023 by taking it equal to 100.

36.2 The above table shows that the installed production capacity of the domestic industry remained same during the entire POI. Production of the domestic like product decreased by 21 percent during Apr 2023-Mar 2024 before increasing to 23 percent in the final year of the POI. Consequently, capacity utilization dropped from 88 percent in Apr 2022-Mar 2023 to 70 percent in

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Apr 2023-Mar 2024. Although it improved to 85 percent in the final year of the POI, the domestic industry was unable to fully utilize its capacity during the period of peak demand for PTA due to the influx of dumped imports.

36.3 On the basis of the above information, it is determined that the domestic industry suffered injury on account of capacity utilization during the POI.

37. Effects on Inventories

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

Table-XII
Inventories of Domestic Like Product

Period	Opening Inventory	Production	Sales		Closing Inventory
			Domestic	Exports	
(1)	(2)	(3)	(4)	(5)	(6)
Apr 2022-Mar 2023	1.36	100.00	100.57	-	0.80
Apr 2023-Mar 2024	0.80	79.35	77.86	-	2.29
Apr 2024-Mar 2025	2.29	97.51	95.11	0.68	4.01

Source: The Applicant

Note: In order to maintain confidentiality, figures have been indexed w.r.t figure of production during the period Apr 2022-Mar 2023 by taking it equal to 100.

37.2 The closing inventory of the domestic like product increased consistently throughout the POI. During the same period, both production and sales of the domestic like product declined, resulting in an accumulation of inventories. substantial build-up of inventory, particularly in the last year of the POI, indicates that the domestic industry was unable to sell the domestic like product due to the presence of low-priced dumped imports.

37.3 On the basis of the above facts and analysis, the Commission has preliminary determined that the domestic industry suffered injury on account of cumulation of inventories.

38. Effects on Profits and Profitability

38.1 Net profit of the domestic industry during the period of original investigation is given in the following table:

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Table-XIII
Profits/ Loss

Period	Gross Profit	Net Profit / (Loss)
(1)	(2)	(3)
Apr 2022-Mar 2023	100.00	86.50
Apr 2023-Mar 2024	39.23	37.56
Apr 2024-Mar 2025	24.94	20.03

Source: The Applicant

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of gross profit during the period Apr 2022-Mar 2023 by taking it equal to 100.

38.2 The above table indicates a significant deterioration in the financial position of the domestic industry as the domestic industry's gross as well as net profits show decreasing trend during the entire POI. These decreasing trends in profits correspond to the price suppression coupled with a decline in sales volume.

38.3 On the basis of above information, it is determined that the domestic industry suffered material injury on account of significant decline in profits during the POI.

39. Effects on Cash Flow

39.1 The total net cash flow for the entire operations of the Applicant is presented in the following table:

Table-XIV
Cash Flows from Operations

Period	Net Cash Flow
(1)	(2)
Apr 2022-Mar 2023	(100.00)
Apr 2023-Mar 2024	156.04
Apr 2024-Mar 2025	264.29

Source: The Applicant

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of cash flow during the period Apr 2022-Mar 2023 by taking it equal to 100.

39.2 The table shows a negative cash flow of domestic industry in the first year of the POI, which turned positive in the subsequent years. While cash flow appears to have improved, this must be viewed in the context of the massive decline in operating profits; the positive cash flow may be attributed to non-operational factors or working capital adjustments rather than core profitability from the investigated product.

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40. Effects on Employment, Productivity and Salaries & Wages

40.1 The data relating to the employment, salaries & Wages and productivity of the domestic industry during the POI is given in the following table:

Table-XV
Employment and Salaries & Wages

Period	Number of employees	Salaries and Wages	Production	Productivity per worker	Salaries and Wages
(1)	(2)	(3)	(4)	(5)	(6)
Apr 2022-Mar 2023	100.00	100.00	100.00	100.00	100.00
Apr 2023-Mar 2024	99.11	109.30	79.35	80.05	137.76
Apr 2024-Mar 2025	98.22	121.85	97.51	99.24	124.97

Source: The Applicant

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t respective figures during the period Apr 2022-Mar 2023 by taking it equal to 100.

40.2 The above table shows that employment in the domestic industry decreased during POI. Productivity per worker also decreased during the POI, whereas salaries and wages per MT increased during the POI.

40.3 On the basis of the above facts, it is determined that the domestic industry suffered injury on account of productivity and salaries and wages during the POI.

41. Effects on Return on Investment

41.1 The information regarding the return on investment of the domestic industry during the POI is given in table below.

Table-XVI
Investment and Return on Investment

Period	Investments	Returns	ROI (%)
(1)	(2)	(3)	(4)
Apr 2022-Mar 2023	100.00	59.74	59.74
Apr 2023-Mar 2024	89.64	25.94	28.93
Apr 2024-Mar 2025	90.29	13.88	15.37

Source: WEBOC and the Applicant

Note: In order to maintain confidentiality, figures have been indexed w.r.t figure of investments during the period Apr 2022-Mar 2023 by taking it equal to 100.

41.2 The above table shows that the investment and return on investment declined throughout the POI. This significant reduction in ROI reduces the industry's attractiveness for future investment.

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41.3 In view of the above facts, it is determined that the domestic industry suffered injury on account of return on investment during the POI.

42. Effect on Growth and Ability to Raise Capital

Although the total domestic market of PTA grew during the POI, however, due to significant decline in profitability and return on investment adversely affected the domestic industry's ability to attract or raise new capital for growth or expansion. In addition, the domestic industry's loss of market share to dumped imports may undermine its revenue stability, making it harder to present a robust business case for future investments and growth. Therefore, it is determined that the domestic industry has suffered injury on account of ability to raise capital.

43. Summing up of Material Injury

43.1 The information/ data and analysis in the foregoing paragraphs and the documents submitted in application show that the domestic industry, suffered material injury during the POI on account of following factors:

- a. Significant increase in volume of dumped imports;
- b. Significant price undercutting;
- c. Price depression
- d. Price Suppression;
- e. Decline in sales and market share;
- f. Decline in Production;
- g. Decline in productivity;
- h. Decline in profits and profitability;
- i. Decline in capacity utilization;
- j. Negative effect on inventories;
- k. Negative effect on return on investment;
- l. Negative effect on Salaries and Wages; and
- m. Negative effect on Growth and ability to raise capital.

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

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Table-XVII
Effects of Dumped Imports

Injury Factor	Apr 2022-Mar 2023	Apr 2023-Mar 2024	Apr 2024-Mar 2025
Volume of dumped imports	100	198	213
Dumped imports as % of total imports (%)	84.2	63.3	79.5
Price Undercutting (%)	4.24	4.32	3.23
Price depression (%)	-	-	12.38
Price suppression (%)	-	5.83	-
Sales (Volume)	100	77	95
Market share of dumped imports (%)	22	35	37
Market share of domestic like product (%)	74	45	54
Production (Volume)	100	79	98
Capacity utilization of domestic industry (%)	88	70	85
Closing Inventories (Volume)	100	287	503
Net Profits (Value)	100.00	43.42	23.16
ROI (%)	59.74	28.93	15.37
Productivity per worker (per worker)	100	80	99
Salaries and wages (per MT)	100	138	125

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t. respective figures during the period Apr 2022-Mar 2023 by taking it equal to 100

43.3 The above effects are significant enough on the basis of which it is determined that domestic industry has suffered material injury during the POI.

D. CAUSATION

44. Effect of Dumped Imports

44.1 On the basis of the analysis and conclusions, the Commission has concluded that there was a causal link between dumped imports of the investigated product and material injury suffered by the domestic industry.

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

- i. Volume of dumped imports of the investigated product increased significantly in absolute terms as well as relative to the domestic production;
- ii. Domestic industry suffered significant price undercutting due to dumped imports of the investigated product;

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- iii. Domestic industry suffered price depression due to dumped imports of the investigated product;
- iv. Domestic industry suffered price suppression due to dumped imports of the investigated product;
- v. Market share of dumped imports of the investigated product increased significantly whereas market share of the domestic like product declined simultaneously;
- vi. Sales of the domestic like product decreased due to increased share of dumped imports in domestic market;
- vii. Production of the domestic like product decreased due to increased share of the dumped imports in domestic market;
- viii. The capacity utilization of the domestic industry decreased due to dumped imports;
- ix. The return on investment of the domestic industry decreased;
- x. Domestic industry faced negative effects on inventories, profitability, productivity, salaries and wages per MT, return on investment, growth and ability to raise capital;

Therefore, the Commission has determined that domestic industry has suffered material injury during the POI due to dumped imports of the investigated product.

45. Other Factors

45.1 In accordance with Section 18(2) of the Act, the Commission also examined factors other than dumped imports which could at the same time cause injury to the domestic industry. Injury caused by such other factors must not be attributed to the dumped imports.

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

- Volume and price of imports not sold at dumped prices;
- Contraction in demand or changes in the patterns of consumption;
- Trade restrictive practices of and competition between foreign and domestic producers;
- Developments in technology; and
- Export performance and productivity of domestic industry;

45.3 Volume of Imports of PTA from Other Sources

45.3.1 Following table shows volume of imports of the investigated product imported from other

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sources:

Table - XVIII
Volume of Imports from Other Sources (MT)

Period	Domestic Industry's sales		Sources of Imports:				
			Dumped imports		Other imports		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Apr 2022-Mar 2023	100	74	30	22	6	4	
Apr 2023-Mar 2024	77	45	60	35	35	20	
Apr 2024-Mar 2025	95	54	64	37	17	9	

Sources: WEBOC and the Applicant

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figures of domestic industry's sales during the period Apr 2022-Mar 2023 by taking it equal to 100.

45.3.2 The above table shows that imports from other sources increased significantly in the year Apr 2023 -Mar 2024. Whereas, in the final period (Apr 2024-Mar 2025) of POI, these imports decreased significantly. Meanwhile, dumped imports continued to surge as the dumped imports have replaced both the domestic market share and the share of non-dumped imports.

45.3.3 It is therefore determined that the imports of PTA from other sources, were not the major cause of material injury to the domestic industry during the POI.

45.4 Prices of Imports of PTA from Other Sources

45.4.1 Following table shows prices (weighted average landed cost) of imports of the investigated product and PTA imported from other sources:

Table-XIX
Landed cost of imports and Domestic Industry's Price (per MT)

Year	Landed Cost of imports from		Price of Domestic Like Product
	Dumped source	Other sources	
(1)	(2)	(3)	(4)
Apr 2022-Mar 2023	95.76	106.56	100.00
Apr 2023-Mar 2024	111.44	120.51	116.48
Apr 2024-Mar 2025	98.76	109.42	102.06

Source: The Applicant and WEBOC

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figures of price of domestic like product during the period Apr 2022-Mar 2023 by taking it equal to 100.

45.4.2 The above table shows that the landed cost of PTA imported from other sources remained higher than the landed cost of the investigated product and the price of domestic like product during the POI. Therefore, it is determined that the imports from other sources were not the cause of material injury to the domestic industry during the POI

45.5 Contraction in Demand or Changes in the Patterns of Consumption

45.5.1 Information obtained from Pakistan Customs and submitted by the Applicant shows that there was no contraction in demand during the POI as shown in the table below:

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Table - XX
Volume of Dumped Imports (MT)

Period	Dumped imports	Other Imports	Total Imports	Domestic Industry's Sales	Total Domestic Market	
					MT	% change
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Apr 2022-Mar 2023	22.21	4.18	26.38	73.62	100.00	-
Apr 2023-Mar 2024	43.90	25.42	69.32	57.00	126.31	26%
Apr 2024-Mar 2025	47.34	12.21	59.54	69.62	129.17	2%

Sources: WEBOC and the Applicant

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figures of total domestic market during the period Apr 2022-Mar 2023 by taking it equal to 100.

45.5.2 The above table shows that there was no contraction in demand for PTA during the POI. Instead, the domestic market expanded significantly during the POI.

45.6 Trade Restrictive Practices and Competition Between Foreign and Domestic Producers

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

45.7 Developments in Technology

There were no significant developments in technology for the production of PTA during the POI that could have rendered the domestic industry's technology obsolete or caused the injury.

45.8 Export performance and Productivity of Domestic Industry

The domestic industry is primarily focused on the local market. During the POI, the domestic industry exported a negligible quantity (refer Table-XII) as compared to total sales. Therefore, export performance is not a factor contributing to the injury.

E. CONCLUSIONS

46. After taking into account all considerations for this preliminary determination, the Commission reached on the following conclusions:

- i. the application was filed by the domestic industry as the Applicant represented 100 percent of total production of the domestic like product during the POI;
- ii. the investigated product and the domestic like product are like products;

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- iii. during POI, the investigated product was exported to Pakistan by the exporters/ producers from China at prices below its normal value;
- iv. the volume of dumped imports of the investigated product and the dumping margins established for the investigated product from China are above the negligible and *de minimis* levels;
- v. the dumping margins expressed as a percentage of weighted average adjusted export price at ex-factory level, ranging from 2.89 percent to 16.83 percent from China;
- vi. the domestic industry suffered material injury on account of significant increase in volume of dumped imports of the investigated product, price undercutting, price depression, price suppression, decline in: market share, sales, production, productivity, capacity utilization, profits, profitability, return on investment and negative effects on: inventories, salaries and wages, growth and ability to raise capital, in terms of Sections 15 and 17 of the Act; and
- vii. there was a causal relationship between dumped imports of the investigated product and the material injury to the domestic industry during the POI.

F. Imposition of Provisional Antidumping Duties

47. Keeping in view the determination of dumping of the investigated product, the resulting material injury to the domestic industry and a causal link between dumped imports and such injury to the domestic industry, the Commission is of the view that the imposition of provisional anti-dumping duty on the investigated product is necessary to prevent injury being caused to the domestic industry during the course of this investigation in accordance with Section 43 of the Act. The available data and information show that the domestic industry has already suffered significant injury and if provisional measures are not imposed, this injury is likely to continue, intensify and ultimately threaten to cause irreparable harm to the domestic industry by the time the Commission will make final determination in this investigation.

48. As stated earlier that two exporters/ foreign producers of the investigated product have provided requisite information necessary to determine individual dumping margin. The dumping margins have been determined based on the information submitted by the respective exporters/ foreign producers. The anti-dumping duty rate for all other exporters is set at the highest individual anti-dumping duty rate of the cooperating exporter.

49. For the purposes of imposition of lesser duty in terms of Section 43 (1) of the Act the Commission has calculated injury margin to ascertain whether a lower duty would be adequate to remove material injury being suffered by the domestic industry due to dumped imports of investigated product from China. Calculation of injury margin is given below:

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Table-XXI
Calculation of Injury Margins

Description	Amount
(1)	(2)
Cost to make & Sell of the domestic like product (per MT)	100.00
Profit: 9.85% of cost to make & sell (per MT)	9.85
Estimated Non-injurious price of the domestic like product (per MT)	109.85
C&F price of investigated product (per MT)	98.49
Landed cost of investigated product (per MT)	100.50
Absolute Injury margin (per MT)	9.35
Injury Margin as % of C&F Price	9.50

Note: Non-injurious price and landed costs are without sales tax

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of cost to make & sell of domestic like product by taking it equal to 100.

50. The above table shows that the injury margin works out 9.50 percent, which is lower than the dumping margin determined for the M/s Zhejiang Dushan Energy Co., Ltd., i.e. 15.35 percent of the C&F price (Table-IV supra). Thus, in terms of Section 43 (1) of the Act, lesser duty would be adequate to remove injury to the domestic industry.

51. Following provisional antidumping duties are hereby imposed on dumped imports of the investigated product importable from China for a period of four months effective from publication of the notice of preliminary determination in the press. The investigated product is classified under PCT heading No. 2917.3610.

Table-XXII
Provisional Anti-Dumping Duty Rates

Sr. No	Exporter Name	Provisional Anti-Dumping Duty Rates (%)
1	M/s INEOS Aromatics Asia Limited (Exporter)/M/s INEOS Zhuhai Chemical Co., Ltd (Producer)	2.63
2	M/s Zhejiang Dushan Energy Co., Limited	9.50
3	All other exporters/foreign producers	9.50

52. However, in accordance with Section 51(1)(ea) of the Act, provisional anti-dumping duty will not be levied on imports of the investigated product that are used as inputs in products destined solely for exports or for use in the foreign grant-in-aid projects and are covered under any scheme exempting customs duties for exports or foreign grant-in-aid projects under the Customs Act, 1969 (IV of 1969).

53. PTA imported from sources other than China shall not be subject to the above-mentioned provisional antidumping duties.

54. In accordance with Section 51 of the Act, the provisional antidumping duty shall take the form of *ad valorem* duty and be held in a non-lapsable personal ledger account established and

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maintained by the Commission for the purpose. Release of the investigated product for free circulation in Pakistan shall be subject to imposition of such antidumping duty.

55. Provisional antidumping duties levied would be in addition to other taxes and duties leviable on import of the investigated product under any other law.

56. The provisional 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 the head of account Commission's Non-lapsable PLD Account No.187 maintained under the Head G-11217, PLA with Federal Treasury Office Islamabad.

(Ahmed Sheraz)
Member
January 01, 2026

(Imran Zia)
Member
January 01, 2026

(Muhammad Iqbal Tabish)
Member
January 01, 2026

(Naeem Anwar)
Chairman
January 01, 2026

(Abdul Rashid Sheikh)
Chairman
January 01, 2026

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Annexure-I

Annotated Replies to the Comments Submitted by the Interested Parties

Comments from CORNELIUS, LANE & MUFTI on behalf of Lucky Core Industries Limited, Ibrahim Fibres Limited, Gatron Industries Limited, Ismail Resin Private Limited & Pakistan Synthetics Limited	NTC View
<p>Preliminary Objections</p> <p>..... it is submitted that in terms of Section 27 (1) of the Anti-Dumping Duties Act, 2015 ("Act"), the Commission has to make a decision whether to initiate the investigation or not. Furthermore, in terms of Section 23 of the Act, the Commission has to examine the accuracy and adequacy of evidence provided in the application to determine whether it is compliant with the requirements of section 20 of the Act.....In view thereof, it appears that the initiation of captioned investigation has been done without following the mandatory procedure and requirements required under the Act.</p> <p>Without prejudice to the foregoing, it is further submitted here that in terms of Rule 6 (d) of the Anti-Dumping Duties Rules, 2022 ("Rules"), it is mandatory on the Commission to provide a summary of the factors on which the allegation of injury is based either in a notice of initiation of investigation or through a report. However, no such information on the summary of factors on which the allegation of injury is based is not provided in the Notice nor a separate report detailing summary of such factors have been made available in public file. Therefore, the Notice is not compliant with the said rule.</p> <p>Without prejudice to the foregoing, it is evident from the bare perusal of the Application (as is also explained in detail below), that the Applicant has miserably failed to provide information and evidence in the Application for the causal link between the alleged dumped imports and the alleged injury suffered by it. Therefore, the Application does not meet the requirements of Section 20(2)(b) of Act and Rule 3 of the Rules, which explicitly require that an application for initiation must be supported by evidence of a causal link, as contemplated under Section 18 of the Act.</p> <p>Export Price</p> <p>..... the Applicant has claimed that the export prices declared in import documentation do not always reflect the final or actual prices agreed between the Chinese exporters and Pakistani importers of PTA. The Applicant claims that this is because the final export price for a PTA shipment in any particular month is only determined once the PX benchmark price for that month is published in relevant publications In view of the foregoing, we categorically reject the Applicant's reasons and methodology for constructing the export price and request that the Commission should determine the export price as declared in the import documentation to determine Ex factory prices.....</p> <p>Normal Value</p> <p>In the Application, the Applicant has claimed that the margin between the domestic China PTA price, as reported by ICIS,</p>	<p>The Commission has examined accuracy and adequacy of the evidence and information provided in the application in accordance with Section 23 of the Act.</p> <p>The Commission has complied with all the requirements of the provisions of the Act and Rules. The order of the Commission regarding initiation is also placed in public file.</p> <p>Injury to the domestic industry is determined in accordance with provisions of the Act & Rules. Please refer to Part C of the report.</p> <p>The Commission has concluded that there was a causal link between dumped imports of investigated product and material injury suffered by the domestic industry. Please refer to part D of the Preliminary Determination report.</p>
	<p>The Commission at the time of initiation satisfied the requirements of Sections 20 and 24 of the Act.</p> <p>It is worth mentioning here that while making this preliminary determination, the normal value and export price are determined based on the information provided by the cooperating exporters from China on exporters questionnaire. Please refer to part B of the Preliminary Determination report.</p>

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<p><i>and the cost of its main feedstock, PX, is unreasonably low. Hence, these reported PTA domestic China prices do not reflect a commercially viable selling price and should not be used as the normal value..... we strongly reject the Applicant's construction of conversion cost for Chinese PTA producers and the subsequent constructed normal value. We respectfully submit that the Commission should instead rely on the reported domestic China PTA prices of the investigation period as the appropriate basis for calculating normal value.....</i></p> <p><i>Inconsistency in Sources Used for Cost Margin in Export Price and Normal Value</i></p> <p><i>In the Application, the Applicant has applied the same basic methodology to construct both the export price and the normal value, namely by using the formula: PX cost (from S&P Platts) plus a cost adder. However, there is an inconsistency in how this margin has been treated in each case..... In view of the foregoing, we strongly urge the Commission to rely on import data for export price and the reported domestic China PTA prices by ICIS for normal value to avoid unnecessary complications and confusions in calculating the dumping margin.</i></p>	
<p><i>Alleged Injury Due to Volume of Imports</i></p> <p><i>The Applicant has claimed that their sales, output, and market share were significantly and adversely impacted by the rise of PTA imports in the domestic market (Application Page 29). It is pertinent to note here that the Applicant has an installed PTA production capacity of 506,750 MT, while the total demand of PTA hovers around 750,000 MT.....</i></p> <p><i>.....According to our estimates, if the total installed domestic PSF, PFY, and PET resin capacity operates at 100% utilization, the total annual demand for PTA would be around approximately 1.2 million MT. Even at a reduced utilization rate, the Applicant's capacity is still insufficient. In other words, increase in import volumes is a market necessity to meet the growing domestic demand of PTA, as the Applicant, due to its PTA production capacity of 506,750 MT and their unreliability to supply PTA (as discussed in detail below), cannot fully meet the domestic demand.</i></p>	<p>The domestic industry has a capacity to meet around 65% of the total demand of the investigated product. Around 15-30 percent of the installed capacity of the domestic industry remained unutilized during the POI. Refer to para nos. 34 & 36 of the Preliminary Determination Report.</p> <p>Injury to the domestic industry is determined in accordance with provisions of the Act & Rules. Please refer to Part C of the report.</p>
<p><i>.....Imports of PTA in 2023 arose primarily because the Applicant had to shut down its plant as it was unable to arrange LCs for PX procurement. This supply constraint was entirely unrelated to imports or alleged dumping and compelled domestic consumers to secure PTA from Chinese exporters. Imports in that period therefore filled a supply gap created solely by the Applicant's inability to secure raw materials. Moreover, due to the unreliability of supply from the Applicant, downstream industries were compelled to continue importing PTA as a safeguard against potential future plant shutdowns, disruptions that indeed materialized again in both 2024 and 2025.....</i></p>	<p>The shutdowns experienced by the domestic industry were attributable either to macro-economic constraints or to reduced customer offtake resulting from the availability of lower-priced dumped imports. Notwithstanding these shutdowns, during the on-the-spot verification visit at the premises of the domestic industry, it was verified that the domestic industry maintained substantial inventory and carried sufficient capacity to meet its contractual obligations.</p>
<p><i>It is also important to highlight here that total volume of imports provided by the Applicant also includes the imports under the EFS, which imports are excluded from the purview of the Anti-Dumping Investigations under the Act as such imports are exempt from the levy of Anti-Dumping Duty under the Act. Therefore, inclusion of such imports for the purposes of injury</i></p>	<p>The main objective of anti-dumping duties is to neutralize the injurious effect of dumped imports. Imports made under Export Facilitation Scheme (EFS) may influence the market prices of the domestic like product when such imports are dumped, as importers retain the discretion either to import PTA duty-free under the EFS or to procure</p>

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<p><i>analysis will provide a distorted picture and hence such inputs should be excluded for proper analysis of alleged injury suffered from the Applicant.</i></p>	<p>the product from the domestic industry. Further, the exporters report their total exports without distinguishing whether such exports fall under the EFS or otherwise. In addition, the injury of the domestic industry is attributed to total imports from dumped sources.</p>
<p><i>Moreover, the Applicant' s higher cost structure can be attributed to its outdated production technology rather than the volume of imports. The Applicant's plant, commissioned nearly 30 years ago with an annual capacity of approximately 506,750 MT, is far less energy-efficient compared to modern PTA plants of 2 – 3 million MT capacity that dominate the global market today. Such older plants have become commercially unviable in most parts of the world, with many already decommissioned, whereas newer facilities operate with substantially lower input and energy consumption. The Applicant's continued reliance on outdated technology inevitably places it at a structural cost disadvantage that cannot be attributed to alleged dumped imports. To illustrate the difference in efficiency between the Applicant's plant and modern PTA plants, an estimate of the consumption levels of both is provided in the table set out in Attachment 5, which is being submitted on a confidential basis. The information contained therein has been obtained from an independent consultant.</i></p>	<p>The newer plants are capital-intensive and bear financing costs, whereas there is no long-term debt on domestic industry. Efficiency does not entitle exporters to sell below fair value, nor does it diminish the causal link between dumped prices and injury. Please refer to Part B of the Preliminary Determination Report.</p> <p>Please refer to part D of the Preliminary Determination report. The Commission has examined all factors including factors other than dumped imports as per the requirement of the law.</p>
<p><i>The decline in the Applicant's sales during the last 2 years of the injury period is primarily attributable to reduced operating rates in the downstream domestic PSF industry. In particular, while the PSF industry initially operated at a healthy utilization level, it was subsequently impacted by the high cost of doing business, rising volumes of dumped PSF imports..... Therefore, the decline in the Applicant's sales or market share cannot reasonably be attributed to imports but rather to reduced PSF industry demand arising from lower PSF operating rates driven by pressure from dumped PSF imports, high cost of doing business, and the impact of the EFS. It is also pertinent to note that Rupali Polyester Limited ("RPL") shut down its PSF operations towards the end of 2024, which further reduced the Applicant's sales. In addition, Gatron Industries Limited ("GIL"), a major consumer of PTA, was operating significantly below capacity during the Period of Investigation.....</i></p>	<p>Refer to para nos. 34 & 35 of the Preliminary Determination Report on sales and market share. During the POI, dumped imports increased their market share in an expanding domestic market, while the domestic industry experienced a loss of market share.</p>
<p><i>As per prevailing market practice, once a contract is executed with the Applicant for a specified volume, whether on an exclusive or non-exclusive basis, the agreement remains valid for the entire year. For example, if a company has entered into a 100% purchase agreement, it is contractually obligated to procure its entire PTA requirement from the Applicant. Even if import prices become more attractive during this period due to market fluctuations, such buyers remain bound to purchase from the Applicant.....</i></p> <p><i>It is important to note that the Applicant, being the sole domestic supplier of PTA, enters into annual contracts with local buyers that lock in volumes under a formula-based pricing structure including a floor price. This formula incorporates applicable tariffs as prescribed by law. If an anti-dumping duty is imposed, the Applicant will inevitably pass on this additional cost by embedding it within the tariff component of the pricing formula.....</i></p>	<p>The purpose of the anti-dumping duty is to offset the injurious effects of dumping by neutralizing the price advantage gained through unfair trade practices and to restore conditions of fair competition in the domestic market. By doing so, it brings dumped imports to a level consistent with fair trade and ensures a level playing field for the domestic industry. The anti-dumping duty is not intended to afford protection to the domestic industry, rather, it is a contingent trade remedy applied strictly in accordance with the provisions of the WTO Agreement on Implementation of Article VI of the GATT 1994, and only to the extent necessary to remedy the injury caused by dumping.</p>

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<p>Alleged Injury Due to Price Effect</p> <p><i>The Applicant has claimed that constructed landed cost of imports remained consistently lower than the actual ex-factory price of the Domestic Like Product, resulting in an average price undercutting of 3%.....In fact, imports have consistently been priced above the Applicant's domestic sales. This clearly reflects that the domestic industry is compelled to import PTA, even at higher prices, due to the Applicant's inherent capacity limitations in fulfilling the entire domestic market's demand, as well as the inconsistencies in its supply, an issue we have elaborated on in the subsequent section of this response.</i></p>	<p>The Commission used the WeBoc import data to calculate the landed cost of the investigated product. The landed cost of the investigated product undercuts the prices of the domestic like product ranging from 3.23 percent to 4.23 percent during the POI. Refer to Table VII of the Preliminary Determination Report.</p>
<p>Inventory Build-Up and Plant Shutdowns</p> <p><i>The Applicant has provided a detailed account of its plant shutdowns during the period of injury, attributing the decline in capacity utilization in 2022-23 to foreign exchange ("FX") concerns that delayed PX procurement.....</i></p> <p><i>As per the Applicant, their plant was shutdown for a total of 123 days during the period of injury.....During the period April 2023 to March 2024, the total domestic market for PTA expanded by 149,792 MT, while the Applicant's production declined by 100,871 MT compared to the preceding period of April 2022 to March 2023.....</i></p> <p><i>.....In fact, when examining the average inventory during the period of injury, it was only 4,702 MT per month, which is less than 4 days of inventory. This is clearly insufficient for a plant of this size and age. To reliably supply the entire domestic market's needs, the Applicant would naturally need to maintain higher stock levels. Therefore, the argument that peak inventories are "unsustainable" highlights the Applicant's own shortcomings as the sole PTA supplier in Pakistan, rather than the alleged import pressures being the reason behind their unsustainable inventory buildup.</i></p>	<p>The shutdowns experienced by the domestic industry were attributable either to macro-economic constraints or to reduced customer offtake resulting from the availability of lower-priced dumped imports. Notwithstanding these shutdowns, during the on-the-spot verification visit at the premises of the domestic industry, it was verified that the domestic industry maintained substantial inventory and carried sufficient capacity to meet its contractual obligations.</p> <p>Refer to para no. 34 & 35 of the Preliminary Determination Report concerning sales and market share. The domestic industry's sales declined significantly during POI resulting in a substantial increase in inventory build-up.</p> <p>During the on-the-spot verification visit, examination of the records maintained by the domestic industry established that the user industry has been engaging in an exploitative practice by compelling reductions in contractual prices, relying on the offer prices of low-priced dumped imports originating from China.</p> <p>Refer to Table XII of the Preliminary Determination report regarding effects on inventories due to dumped imports</p>
<p>Alleged Injury to Profitability</p> <p><i>In the Application, the Applicant claims that sustained pricing pressure created by PTA imports led to a severe decline in gross profits. The Applicant further claims that the pricing of Chinese PTA imports undermined the domestic industry's ability to operate profitably. However, it is worth noting that the Applicant has remained strongly profitable throughout the period of injury Therefore, the decreasing trend in the PAT cannot be solely attributed to pricing pressures from imports as Pakistan witnessed a significant increase in energy costs and inflationary pressures. Such factors impacted all domestic industries in the country and were not exclusive to the Applicant..... As per Section 18(2) of the Act, factors other than dumped imports which are injuring domestic industries and injuries caused by such other factors cannot be attributed to dumped imports. We therefore strongly reject the Applicant's claim that increase in imports of PTA have undermined their ability to operate profitably.</i></p>	<p>Please refer to part D of the Preliminary Determination report. The Commission has examined all factors including factors other than dumped imports as per the requirement of the law.</p>
<p>Alleged Effects on Return on Investment and Ability to Raise Investments</p> <p><i>In the Application, the Applicant has claimed that the decline in Return on Investment ("ROI") signals a significant weakening</i></p>	<p>The significant decline in profitability and return on investment has adversely affected the domestic industry's ability to attract or raise new capital. Please refer to para nos. 38, 41 & 42 of the Preliminary Determination Report.</p>

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<p>of the company's ability to generate returns, making any investment in the business unviable (Application Page 46). However, this assertion is fundamentally flawed..... Hence, the Applicant's claim that a decline in ROI during the period of injury has made any investments in the business unviable is both shortsighted and misleading.</p>	
<p>Comments from NOVATEX LIMITED</p> <p>.....At the very outset, we would like to raise that the instant initiation of this antidumping investigation against alleged dumped imports of PTA from China is based on a flawed application that fails to meet the legal standards for accuracy, adequacy, and objectivity as required under the Anti-Dumping Duties Act, 2015. A critical analysis of the Applicant's submission and the NTC's Initiation Memo reveals fundamental methodological errors and unsubstantiated assumptions in the calculation of the Normal Value, Export Price, and consequently, the Dumping Margin. These errors are so severe that they render the core allegation of dumping unreliable and legally untenable.</p>	<p align="center">NTC View</p> <p>The Commission has examined accuracy and adequacy of the evidence and information provided in the application in accordance with Section 23 of the Act. The Commission has complied with all the requirements of the provisions of the Act.</p>
<p>Objections Concerning The Normal Value</p> <p>.....The Commission's methodology for constructing the normal value, which relies on international FOB prices for Paraxylene (PX) as a benchmark for raw material cost, is fundamentally flawed and fails to account for the structural realities of the Chinese petrochemical industry. This approach artificially inflates the constructed normal value and misrepresents the genuine cost advantage enjoyed by Chinese PTA producers. The factual evidences publicly available clearly demonstrate that majority of Chinese PTA producers possesses a monumental and unique competitive edge in PX production....."</p> <p>"....Unlike other Asian nations with smaller, older production units, 39% of China's PTA as well as PX capacity is concentrated in megacomplexes with individual PTA lines capacity exceeding 2 million t/yr, while total PTA capacities ranging from 6 million to 17 million tons/yr. ... The capital cost for building a PTA as well as PX plant in China is approximately 20% lower than in the rest of Asia.... These factors contribute to a lower cost base that is internal to the Chinese market and not captured by an international FOB price..... Major Chinese producers are strategically integrated from refining to PX to PTA. This backward integration ensures a stable, internally sourced feedstock at a cost that is insulated from the international market fluctuations reflected in FOB prices. Using an international FOB price for PX when a producer is its own captive supplier is a methodological error; it imputes a market-based cost where an internal transfer cost exists, one that is structurally lower due to the integrated supply chain.... Therefore, by applying international FOB PX prices to Chinese PTA production, the Commission is constructing a hypothetical raw material cost that does not align with the actual costs incurred by integrated Chinese producers..... The current approach is punitive and inconsistent with the requirement for an objective examination..... Constructing a "Chinese" normal value using the Pakistani Applicant's production efficiency (who remains shut very often in the recent times), consumption rates, and financial structure is a fundamental error.... Energy</p>	<p>The Commission at the time of initiation satisfied the requirements of Sections 20 and 24 of the Act.</p> <p>It is worth mentioning here that while making this preliminary determination, the normal value and export price are determined based on the information provided by the cooperating exporters from China on exporters questionnaire. Please refer to part B of the Preliminary Determination report.</p>

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<p>cost of Chinese PTA plants is drastically lower versus Lotte as well as Raw material consumption/ton of PTA (explained in detail below) which also makes the constructed value based on lotte cost not viable in accepting the injury claims and therefore makes the application liable to be rejected..... The NTC's normal value is a theoretical model, not grounded in the audited cost data of any identified Chinese producer. The Act requires a determination based on facts. This constructed value is a speculative figure that cannot form a legally sound basis for alleging dumping or initiating an investigation or to arrive at imposition of any provisional Anti-dumping....</p>	
<p>OBJECTIONS CONCERNING THE EXPORT PRICE</p> <p>"The Applicant made the serious allegation that the official Pakistan Customs import data (WEBOC) is unreliable, claiming declared prices are "overstated and provisional" and subject to post-importation adjustments..... The Applicant's entire challenge to the most reliable evidence of transaction value (the official customs data) was dismissed by the NTC due to a complete lack of evidence. This failure of the applicant should have been fatal to the application. By proceeding, the NTC has allowed an unsubstantiated allegation to form a key pillar of the case, directly undermining the foundational principle enshrined in Section 23 of the Act, which mandates that the Commission must only initiate an investigation after "examining the accuracy and adequacy of the evidence provided in the application" to satisfy itself that sufficient evidence exists to justify initiation. The Applicant's failure to provide any concrete proof for its central claim regarding export prices means the application, on this critical point, was based on mere assertion rather than the "positive and credible evidence" required by law. Consequently, the NTC's decision to proceed despite this fundamental deficiency renders the initiation legally vulnerable..... The methodology for determining the export price is fundamentally flawed, as the Commission relied on arbitrary adjustments unsupported by evidence from Chinese exporters. The application of a uniform inland freight cost of USD 10/MT across all exporters is unreasonable given that most of the Chinese PTA exporters are located near the ports and in fact a couple of them have their own bulk ship or barge loading ports. Furthermore, the reliance on ocean freight data supplied by the Applicant (as indicated in the initiation memo by the Commission), creates an undeniable risk of bias and fails to reflect the actual costs borne by exporters. Critically, the Commission neglected its own investigative mandate by accepting these unsubstantiated assumptions without seeking to verify or establish accurate benchmarks through its own available sources, thereby undermining the factual integrity of the entire calculation from the outset..... The Commission's determination of the export price is legally unsustainable, resting entirely on a choice between two flawed and contradictory foundations... By proceeding on this basis, the Commission has violated its duty under Section 23 of the Act to base its initiation on "positive and credible evidence", effectively delegating its fact-finding authority to the interested party and rendering the entire export price calculation speculative, biased, and invalid."</p>	<p>The Commission has examined accuracy and adequacy of the evidence and information provided in the application in accordance with Section 23 of the Act.</p> <p>It is worth mentioning here that while making this preliminary determination, the normal value and export price are determined based on the information provided by the cooperating exporters from China on exporters questionnaire. Please refer to part B of the Preliminary Determination report.</p>
<p>OBJECTIONS CONCERNING THE DUMPING MARGIN CALCULATIONS</p>	<p>It is worth mentioning here that while making this preliminary determination, the normal value and export</p>

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<p><i>"The alleged dumping margin is the arithmetic result of comparing the flawed constructed normal value with the flawed adjusted export price. The NTC's memo presents a dumping margin of 14.98% as a simple, conclusive figure, confusing the profound weaknesses of its inputs. The dumping margin either calculated by the Applicant in its application or by the Commission, is not an independently calculated figure but the outcome of a comparison between two unreliable and values and clearly not relevant to current international PTA technology and cost economics. An artificially constructed and potentially inflated normal value is compared to an export price that may be understated due to illogical deductions. A margin calculated in this manner is meaningless and cannot justify the imposition of provisional or final duties or even the initiation of an investigation..... Section 11 of the Act requires a fair comparison between normal value and export price, which must be made at the same level of trade and with due allowances for differences affecting price comparability. This investigation is founded on an unfair comparison: a theoretical normal value based on a applicant outdated and exorbitant costs is compared to an export price adjusted using generic assumptions. A proper comparison would require constructing the normal value based on the costs of current updated PTA technology of Chinese producers and comparing it to their specific export prices..... The alleged dumping margin is a product of the chosen calculation method, not a reflection of actual market behavior. Given that the entire calculation is dependent on a series of unreasonable assumptions and the use of an interested party's data, the central claim of the application that dumping has occurred remains entirely unproven..... The Commission's cost construction for determining the dumping margin fails to reflect the structural changes in global PTA production economics..... A margin derived from such a fundamentally compromised and biased calculation cannot, under any objective standard, be considered accurate or adequate evidence of dumping. The entire premise of the investigation is therefore built upon a foundation that is both factually and procedurally unsound."</i></p>	<p>price are determined based on the information provided by the cooperating exporters from China on exporters questionnaire. Please refer to Part B of the Preliminary Determination Report.</p>
<p>Volume Effects The increase in imports of Purified Terephthalic Acid ("PTA") from China during the period of investigation ("POI") does not constitute evidence of injurious dumping within the meaning of Section 15 (Determination of Injury) and Section 18 (Causation) of the Anti-Dumping Duties Act, 2015. The import growth was a direct response to structural and operational limitations of the domestic PTA industry, which was unable to meet Pakistan's total PTA demand (784,328 MT during Apr 2024- Mar 2025), as per application) owing to its restricted installed capacity (500,000 MT), frequent plant shutdowns (throughout the POI in 2023, 2024 and 2025), and foreign-exchange-related procurement constraints affecting their feedstock Paraxylene availability ("PX") making it an unreliable source of supply prompting domestic PTA users keeping imports as a regular alternate source of supply since LOTTE is the sole local producer of PTA.</p> <p>Furthermore, a significant portion of the import volumes during the POI consisted of duty-free PTA imported under Pakistan's</p>	<p>Injury to the domestic industry is determined in accordance with provisions of the Act & Rules. Please refer to Part C of the report.</p> <p>The main objective of anti-dumping duties is to neutralize the injurious effect of dumped imports. Imports made under Export Facilitation Scheme (EFS) may influence the market prices of the domestic like product when such imports are dumped, as importers retain the discretion either to import PTA duty-free under the EFS or to procure the product from the domestic industry. Further, the exporters report their total exports without distinguishing whether such exports fall under the EFS or otherwise. In addition, the injury of the domestic industry is attributed to total imports from dumped sources.</p>

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<p>Export Facilitation Scheme (EFS) for re- export production of polyester and PET. These imports are outside the scope of domestic market competition and should not be included in the injury analysis since the Applicant did not offer any regular or committed quantity for this volume. Their inclusion exaggerates the apparent increase in import volumes and gives a distorted picture of the domestic industry's market position..... These EFS imports are procured by export-oriented manufacturers such as Novatex and Ismail Industries for duty-free use in polyester and PET exports and therefore do not compete with Lotte's PTA in the domestic market. Furthermore, Lotte does not make contractual commitments to supply these export-oriented units, given its limited production capacity and frequent plant shutdowns, which make it unable to ensure continuous supply. Accordingly, the inclusion of such volumes in the applicant's injury analysis overstates import competition and distorts the actual market share dynamics, as they neither affect domestic prices nor displace local sales..... The domestic PTA industry's installed capacity of approximately 500,000 metric tons per annum has remained virtually unchanged since its commissioning in 1998, while Pakistan's total PTA consumption in Pakistan including that of EFS during April 2024 to March 2025 stood at 784,328 metric tons, as acknowledged in the applicant's own submission..... Its capacity utilization declined from 99% in FY 2021-22 to around 70% in FY 2023-24, primarily because of frequent plant shutdowns and feedstock (Paraxylene) import constraints not because of imports of PTA. As confirmed by public disclosures and the applicant's own data, the plant remained non-operational for extended periods between 2023 and 2025 due to technical faults, maintenance stoppages, foreign exchange shortages, and LC restrictions affecting raw material imports..... The argument that such imports caused injury is therefore both economically and legally untenable. The domestic industry cannot reasonably assert injury from imports that serve unmet domestic demand (by applicant) it is structurally incapable of fulfilling.....Accordingly, the increase in PTA imports from China should be viewed as a stabilizing and necessary market adjustment, not an injurious displacement. Imports have ensured continuity in domestic supply and have supported, rather than harmed, Pakistan's broader industrial ecosystem. Moreover, part of these imports are for re-export of PET and polyester products and Lotte never offered any contractual or consistent supply to this segment..... The applicant's own quarterly data clearly demonstrates that imports merely bridged the supply gap created by inconsistent domestic production, rather than displacing local sales..... Conversely, increases in import volumes coincided with periods of plant shutdowns, including those in March 2023, April-May 2023, October- November 2023, and again in March-April 2025, all of which stemmed from operational, technical, or raw-material constraints, not from import pressure. These interruptions reduced domestic output and naturally required imports to fill supply shortfalls, ensuring continuity for downstream sectors dependent on PTA..... Overall, the evidence confirms that imports played a stabilizing role in maintaining market balance rather than inflicting injury. The</p>	<p>The domestic industry has a capacity to meet around 65% of the total demand of the investigated product. Around 15-30 percent of the installed capacity of the domestic industry remained unutilized during the POI. Refer to para nos. 34 & 36 of the Preliminary Determination Report.</p> <p>The shutdowns experienced by the domestic industry were attributable either to macro-economic constraints or to reduced customer offtake resulting from the availability of lower-priced dumped imports. Notwithstanding these shutdowns, during the on-the-spot verification visit at the premises of the domestic industry, it was verified that the domestic industry maintained substantial inventory and carried sufficient capacity to meet its contractual obligations.</p>
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<p><i>domestic industry's under-utilization, recurring shutdowns, and supply limitations were self-induced outcomes of production constraints, maintenance needs, and foreign-exchange restrictions, not a result of unfair competition..... Any increase in or presence of import volume occurred because domestic output was constrained, not because imports captured the market through unfair pricing..... Another key factor behind the apparent increase in overall PTA import volumes is the rise in duty-free imports under the Export Facilitation Scheme (EFS). These imports are exclusively meant for the export-oriented polyester and PET industries and therefore do not enter the domestic market. Importantly, Lotte does not supply PTA on contractual or consistent terms for this export segment, leaving export manufacturers with no option but to source duty-free PTA directly from foreign suppliers. Consequently, the inclusion of these EFS imports in total import figures artificially inflates the market share of imports and creates a misleading impression of injury to the domestic industry..... Moreover, in its application, the applicant has overstated the total domestic market size by including duty-free PTA imports..... Accordingly, the importer submits that the volume effects cited by the applicant fail to establish any adverse or injurious consequence attributable to dumped imports under Section 15 of the Act.....</i></p>	
<p>Sales, Output and Market share</p> <p><i>The applicant's assertions that its declining sales and market share were caused by dumped imports are factually and causally unfounded. The fluctuations in production, sales, and market position over the period of investigation (POI) are demonstrably linked to domestic operational constraints, not import competition..... When the plant was operational, as in January–June 2024, domestic sales exceeded both production and installed capacity, showing that the local market readily absorbed domestic PTA at prevailing prices and that imports filled only temporary supply gaps..... The applicant's declining market share in 2023–24 was therefore not due to any displacement by dumped imports but rather due to its own lower output (capacity utilization falling to ~70 percent) during prolonged shutdowns and its unreliability of supply being the sole producer..... In fact, the domestic industry's rising market share, stable capacity utilization, and ability to sell all production demonstrate its continuing competitiveness. Any temporary decline in share during 2023–24 was entirely attributable to extended shutdowns (66 days) and feedstock supply constraints, not to import competition.....</i></p>	<p>Refer to para nos. 34 and 35 of the Preliminary Determination Report on sales and market share. During the POI, dumped imports increased their market share in an expanding domestic market, while the domestic industry experienced a loss of market share. The Commission has determined domestic market size as per Section 15 of the Act.</p> <p>The shutdowns experienced by the domestic industry were attributable either to macro-economic constraints or to reduced customer offtake resulting from the availability of lower-priced dumped imports. Notwithstanding these shutdowns, during the on-the-spot verification visit at the premises of the domestic industry, it was verified that the domestic industry maintained substantial inventory and carried sufficient capacity to meet its contractual obligations.</p>
<p><i>This clearly shows that the applicant's sales and output were constrained by its own operational downtime and unreliable performance as the sole domestic producer, rather than any adverse effect of dumped imports.....</i></p> <p><i>The Anti-Dumping Duties Act, 2015 requires a demonstrated causal connection between dumped imports and material injury. In this case, that connection is absent. The injury indicators cited lower sales, reduced capacity utilization, and fluctuating inventories are entirely attributable to internal production constraints, foreign exchange restrictions, low domestic demand and maintenance shutdowns.....</i></p>	<p>Injury to the domestic industry is determined in accordance with provisions of the Act & Rules. Please refer to Part C of the Preliminary Determination Report.</p>

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<p>Price effects</p> <p><i>The applicant's claims of adverse price effects comprising price undercutting, depression, and suppression are not substantiated by objective evidence and overlook critical operational and market factors that independently explain the observed price movements. The pricing of PTA in Pakistan is inherently linked to PX (paraxylene) benchmark trends, international freight fluctuations, and domestic cost dynamics rather than import behavior. therefore, domestic ex- factory prices move largely in tandem with international oil and PX prices, not with individual exporter conduct..... For the price undercutting margins of 7% to 11% calculated in the application, it is noted that the applicant itself acknowledges that the declared landed cost of imports appearing on official documents is based on provisional pro forma invoices, which are subsequently adjusted post-shipment once PX (paraxylene) benchmark settlements are confirmed. Hence, the so-called "constructed landed cost" used in the application is speculative and does not represent the actual transaction price paid by importers. This estimation- based methodology artificially inflates the undercutting margins and therefore cannot be relied upon to establish a causal link between import prices and injury.....the verified evidence from the company's own financial disclosures and NTC's data-based findings clearly establishes that any short- term price variations during the POI were caused by domestic cost factors and PX-linked market movements, not by alleged dumped imports. The alleged undercutting margins are therefore commercially insignificant and legally insufficient to support a finding of injury under Section 15 of the Act.</i></p>	<p>The Commission has determined price effects as per Section 15 of the Act. Please refer to para no. 33 of the Preliminary Determination Report.</p>
<p><i>The newer plants are capital-intensive and bear financing costs, whereas there is no long-term debt on domestic industry. Efficiency does not entitle exporters to sell below fair value, nor does it diminish the causal link between dumped prices and injury. Please refer to Part B of the Preliminary Determination Report.</i></p>	<p>At the time of the initiation and while making this preliminary determination, the Commission has utilized the WeBoc import data to calculate the landed cost of the investigated product. The landed cost of the investigated product undercuts the prices of the domestic like product ranging from 3.23 percent to 4.23 percent during the POI. Refer to Table VII of the Preliminary Determination Report.</p>
<p><i>The newer plants are capital-intensive and bear financing costs, whereas there is no long-term debt on domestic industry. Efficiency does not entitle exporters to sell below fair value, nor does it diminish the causal link between dumped prices and injury. Please refer to Part B of the Preliminary Determination Report.</i></p>	<p>The newer plants are capital-intensive and bear financing costs, whereas there is no long-term debt on domestic industry. Efficiency does not entitle exporters to sell below fair value, nor does it diminish the causal link between dumped prices and injury. Please refer to Part B of the Preliminary Determination Report.</p>
<p><i>Annual contracts do not appear to constitute firm supply or offtake arrangements, as both customers and the domestic industry frequently defer volumes under these contracts.</i></p>	<p>Annual contracts do not appear to constitute firm supply or offtake arrangements, as both customers and the domestic industry frequently defer volumes under these contracts.</p>
<p><i>The shutdowns experienced by the domestic industry were attributable either to macro-economic constraints or to reduced customer offtake resulting from the availability of lower-priced dumped imports. Notwithstanding these shutdowns, during the on-the-spot verification visit at the premises of the domestic industry, it was verified that the domestic industry maintained substantial inventory and carried sufficient capacity to meet its contractual obligations.</i></p>	<p>The shutdowns experienced by the domestic industry were attributable either to macro-economic constraints or to reduced customer offtake resulting from the availability of lower-priced dumped imports. Notwithstanding these shutdowns, during the on-the-spot verification visit at the premises of the domestic industry, it was verified that the domestic industry maintained substantial inventory and carried sufficient capacity to meet its contractual obligations.</p>
<p><i>Please refer to part D of the Preliminary Determination report. The Commission has examined all factors including factors other than dumped imports as per the requirement of the law.</i></p>	<p>Please refer to part D of the Preliminary Determination report. The Commission has examined all factors including factors other than dumped imports as per the requirement of the law.</p>
<p><i>The Commission has concluded that there was a causal link between dumped imports of investigated product and material injury suffered by the domestic industry. Please refer to Part D of the Preliminary Determination report.</i></p>	<p>The Commission has concluded that there was a causal link between dumped imports of investigated product and material injury suffered by the domestic industry. Please refer to Part D of the Preliminary Determination report.</p>
<p><i>The Commission carried out this investigation under the provision of the Act. The Preliminary Determination report reflects the Commission's investigation and analysis on dumping, injury and causality therein.</i></p>	<p>The Commission carried out this investigation under the provision of the Act. The Preliminary Determination report reflects the Commission's investigation and analysis on dumping, injury and causality therein.</p>

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<p>such as Novatex, which has (except for times lotte's own inability to supply) have historically sourced nearly all of its domestic market PTA requirements from Lotte, including during 2024. The prices under these annual supply contracts are fixed through a pre-agreed formula based on international PX benchmarks plus a constant conversion margin with a floor of the margin, leaving no scope for import prices to influence Lotte's domestic selling prices..... Despite these inefficiencies, LCPL continued to earn positive margins throughout the POI..... The company's Half-Year 2024 Financial Results further confirm that revenue grew 95% year-on-year, while gross profit rose 15%, constrained by domestic cost escalation primarily gas tariff hikes, inflation, and depreciation of the rupee. These are economy-wide pressures, not trade effects..... The applicant's own operational record demonstrates that profitability was constrained mainly by frequent shutdowns and supply disruptions and reduction in demand in the downstream used industry not by dumped import prices.As a result, major downstream users such as Novatex, Gatron, and Ismail Resin had to import PTA from China to sustain their operations. These duty-paid imports filled the supply gap created by Lotte's production stoppages rather than replacing domestic sales.....</p> <p>Any observed decline in LCPL's profitability during 2024-25 stems from rising domestic cost components..... These elements are fully documented in LCPL's 2024 Annual Report and are unrelated to import competition.....</p> <p>.....Lotte operated near to 100% of available capacity and sold more than its production volume, proving that imports did not suppress prices or reduce demand..... The decline in margins and profits is fully explained by plant inefficiency, high energy intensity, currency depreciation, feedstock cost volatility, and repeated shutdowns, none of which are connected to alleged dumping. The industry remained profitable, sold its full output, and maintained market share whenever operational. Therefore, no causal link exists between Chinese PTA imports and any alleged suppression of domestic prices within the meaning of Section 15 of the Anti-Dumping Duties Act, 2015.....</p> <p>The evidence demonstrates that no adverse price effects can be attributed to Chinese PTA imports. Since domestic PTA sold by lotte is on contractual price agreement which has a floor of margin over price of PX, the Domestic price movements of PTA in Pakistan have consistently mirrored regional PX prices, since in the last 3 years and in the POI period..... there is no causal link between Chinese PTA imports and any material injury claimed by the domestic industry. Also worthwhile to note that when price reduced from Jan to Dec 2024 due to reduction in PX price from 1000\$ to 800\$, the 5% duty loading factor rupee/kg impact also reduces, further reducing the domestic price.</p>	
<p>Profit and Loss The applicant's claim of a sharp decline in profitability is not supported by any objective evidence linking it to Chinese PTA imports. A review of Lotte Chemical Pakistan Limited's (LCPL)</p>	<p>Please refer to para no. 38 of this report for analysis and conclusion on profit and loss.</p>

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<p>audited financial statements for 2023 and 2024 clearly shows that the fall in gross and net profits was driven primarily by domestic cost inflation, rising energy tariffs, and financing costs, rather than by any price suppression.....In 2024, the company's cost of sales increased disproportionately to revenue due to a surge in industrial gas tariffs, higher maintenance and overhaul expenses, and LC confirmation charges arising from Pakistan's foreign exchange constraints.....the decline in profitability corresponds directly with operational inefficiencies inherent to Lotte's 30-year-old, 500,000 TPA PTA facility, which employs old technology. As established earlier, modern PTA complexes of 1-2.5 million TPA operate with far superior energy efficiency and scale economies, whereas Lotte's smaller, older unit consumes excessive electricity, gas, and steam per ton of PTA produced.....Consequently, any reduction in profitability merely reflects internal cost and efficiency factors, not any injury attributable to dumped imports. The company's continued ability to earn profits, declare dividends, despite above factors and plan future capacity expansion demonstrates that it remains a viable and competitive enterprise within the limits of its technology and scale.</p>	<p>The increase in the nominal interest rates corresponds to the increasing inflation and exchange rates. The finance and energy cost was reasonable as per prevailing market conditions.</p> <p>Please refer to part D of the Preliminary Determination report. The Commission has examined all factors including factors other than dumped imports as per the requirement of the law.</p>
<p>Capacity Utilization is lack of capacity availability and not due to increase in imports</p> <p>.....the decline in capacity utilization from 99 percent in 2021-22 to 70 percent in 2023-24 is fully explained by repeated plant shutdowns and operational disruptions, not import competition..... Overall, the fluctuations in capacity utilization directly mirror operational downtime and input volatility, not the presence of dumped imports. The applicant's inability to maintain steady production is an internal efficiency issue, not an effect of Chinese PTA imports.</p>	<p>Please refer to para no. 36 of this report for analysis and conclusion on capacity utilization.</p> <p>The shutdowns experienced by the domestic industry were attributable either to macro-economic constraints or to reduced customer offtake resulting from the availability of lower-priced dumped imports. Notwithstanding these shutdowns, during the on-the-spot verification visit at the premises of the domestic industry, it was verified that the domestic industry maintained substantial inventory and carried sufficient capacity to meet its contractual obligations.</p>
<p>Employment and Productivity</p> <p>The applicant's claim that dumped imports caused reductions in employment or productivity lacks factual foundation. The data presented in Table 10 of the application show that staffing levels and overall productivity remained broadly stable throughout the period of investigation (POI), with only minor year-on-year variations consistent..... Hence, any reduction in productivity cannot be attributed to imports from China. Importantly, the company did not lay off staff or reduce wages during the POI, which indicates sustained employment and operational stability, a clear contradiction of the applicant's claim of injury to employment or productivity.</p>	<p>Please refer to para no. 40 of this report for analysis and conclusion on employment and productivity.</p>
<p>Growth, Return on Investment (ROI) and Ability to Raise Investment</p> <p>The data on fixed asset growth similarly fail to establish any causal link between Chinese imports and the applicant's investment performance. The marginal decline in the value of fixed assets during FY 2023-24 primarily reflects depreciation, currency devaluation, and limited reinvestment due to macroeconomic uncertainty in Pakistan's industrial sector.....</p> <p>While the applicant claims a decline in profitability and return on investment during the POI, the underlying cause is not</p>	<p>Please refer to para nos. 41 & 42 of this report for analysis and conclusion on ROI, growth and ability to raise capital.</p>

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<p>import pressure but the plant's high-cost and obsolete structure. As previously demonstrated, Lotte's PTA facility commissioned in 1998 faces persistent efficiency losses that directly inflate its cost of production. Modern PTA plants of 1-2.5 million tons per year operate at significantly lower utility and energy costs.....The capacity to generate net profits, sustain operations at full capacity in the absence of plant shutdowns, and preserve a stable equity base throughout the POI refutes the notion of material injury. The moderate reduction in ROI merely reflects the combined impact of Pakistan's macroeconomic volatility, foreign exchange restrictions, and high cost of doing business, not dumped imports.</p>	
<p>Effect on Cash Flows The applicant's assertion that dumped imports disrupted its cash flows is not supported by the financial evidence. LCPL's audited statements and quarterly financial reports show that the company maintained a positive operating cash flow throughout most of the POI, with any temporary fluctuations arising from domestic financial conditions, not from import competition..... LCPL's ability to generate positive operational cash and sustain profitability even in challenging conditions confirms that no causal link exists between imported PTA and any alleged deterioration in cash flow or financial stability.....</p>	<p>Please refer to para no. 39 of this report for analysis and conclusion on cashflow.</p>
<p>OTHER FACTORS AND NON-ATTRIBUTION ANALYSIS Under Article 3.5 of the WTO Anti-Dumping Agreement and Section 18(2) of Pakistan's Anti-Dumping Duties Act (2015), injury caused by factors other than dumped imports must not be attributed to those imports.....Lotte Chemical Pakistan's PTA facility, commissioned in 1998 with an installed capacity of 500,000 tons per annum, is among the oldest operating units of its kind. PTA production technology has advanced substantially over the past three decades from first-generation, energy-intensive designs to large-scale, energy- efficient complexes exceeding 1-2.5 million tons per year..... where new PTA complexes typically operate at 1.5-2.5 million tons per year, benefiting from substantial economies of scale. Accordingly, the company's cost and margin profile are constrained by scale and technology factors wholly independent of Chinese PTA imports.....Pakistan's energy and utility costs rose sharply between 2023 and 2024 due to successive government tariff adjustments and inflationary pressures. Industrial users faced substantial increases in both gas and electricity rates as authorities revised base tariffs to recover system costs and address circular debt..... In 2023, Pakistan imposed strict import and LC restrictions, disrupting procurement of PX, the key PTA feedstock. Lotte Chemical publicly disclosed in its audit report (extracts have been reproduced below) that it shut down its plant due to disruptions in the supply chain on account of limited availability of Foreign Exchange for establishing Letter of Credits.The resulting decline in demand for domestically produced PTA is thus attributable to downstream market adjustments and Lotte's own supply unpredictability, not to any alleged impact from Chinese imports..... Customers began partially diversifying supply sources after repeated Lotte shutdowns in 2023. Imports from China were not "replacing" domestic sales but ensuring</p>	<p>The Commission has examined factors other than dumped imports that could have caused material injury to the domestic industry.</p> <p>Please refer to Part D of the Final Determination report for detailed analysis of other factors.</p> <p>The newer plants are capital-intensive and bear financing costs, whereas there is no long-term debt on domestic industry. Efficiency does not entitle exporters to sell below fair value, nor does it diminish the causal link between dumped prices and injury. Please refer to Part B of the Preliminary Determination Report.</p> <p>The increase in the nominal interest rates corresponds to the increasing inflation and exchange rates. The finance and energy cost was reasonable as per prevailing market conditions.</p> <p>The shutdowns experienced by the domestic industry were attributable either to macro-economic constraints or to reduced customer offtake resulting from the availability of lower-priced dumped imports. Notwithstanding these shutdowns, during the on-the-spot verification visit at the premises of the domestic industry, it was verified that the domestic industry maintained substantial inventories and carried sufficient capacity to meet its contractual obligations.</p>

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<p><i>continuity of production for downstream users during Lotte's non-operation. Gatron and Novatex did not historically import duty-paid PTA prior to 2023; they did so only when Lotte was unable to supply because PX LCs were unconfirmed..... Major plant overhaul expenses in 2024, added one-off cost spikes and reduced net margins. Such maintenance activity evidences continued reinvestment and operational stability rather than injury.</i></p>	
<p>NO CAUSAL LINK</p> <p><i>Given the totality of the above:</i></p> <p><i>LCPL's margin compression, capacity underutilization and customer import behavior are fully explained by obsolete technology, internal inefficiency, domestic cost escalation, supply fragility, and demand contraction.</i></p> <p><i>The alleged dumping margin is inflated by speculative cost constructions and lacks a reliable causal connection to Lotte's performance.</i></p> <p><i>Under WTO law and domestic legislation, the Commission must apply non- attribution: these independent factors cannot be ascribed to Chinese imports.</i></p> <p><i>Accordingly, there is no justified basis to conclude that Chinese PTA imports inflicted material injury under Sections 15 and 17 of the Act</i></p>	<p>The Commission has determined that there was a causal link between dumped imports of investigated product and material injury suffered by the domestic industry. Please refer to part D of the Preliminary Determination report.</p>
<p>Comments from A.T.S Synthetic (Pvt) Ltd.</p> <p><i>ATS synthetic (PVT) Ltd. is one of the large users of Purified Terephthalic Acid (PTA). The ATS uses PTA in the manufacture of plasticizer namely DOTP. This is a widely used plasticizer mainly used in Plastic Goods, Cable, PVC Synthetic Leather, PVC Pipe, PVC Flooring, PVC Pana Flex and PVC base shoe sole industry. The imposition of Anti-Dumping duty on PTA would increase the price of the plasticizer (DOTP) which would result in the cost of all downstream products including DOTP.</i></p> <p><i>ATS Synthetics (PVT) Ltd. also uses domestically produced PTA under contract pricing arrangements between ATS Synthetic (PVT) Ltd. and Lotte Chemicals Pakistan Ltd (LCPL). Such contracted pricing arrangement caters for not only Chinese declared prices in ICIS publications but also caters for the minimum conversion margin of \$90 per Ton. Thus there is no impact of the so-called dumping on LCPL. As regards the volume of imports from China it is stated that LCPL is not capable to meet domestic demand of PTA and the excess demand would have to be imported in any case and that is beyond the capacity of LCPL. Since demand is beyond the capacity of LCPL, the imports are not going to hurt the domestic industry, LCPL. Legally speaking the initiation of investigation is not covered under Anti-Dumping Duties Act..... In terms of the Section 20(2)(b) of the Anti-Dumping Duties Act.2015 (the Act) the application for initiation of investigation shall include evidence of dumping, injury and causal link. The National Tariff Commission (NTC) in terms of Section 23 of the Act is required to examine accuracy and adequacy of evidence to see whether there is evidence to justify initiation of investigation in terms of Section 20 of the Act..... In terms of Section 31(4) of the Act, the NTC shall examine the request for confidentiality expeditiously and determine if the request for confidentiality is warranted or not and inform the parties accordingly....</i></p>	<p align="center">NTC View</p> <p>The domestic industry has a capacity to meet around 65% of the total demand of the investigated product. Around 15-30 percent of the installed capacity of the domestic industry remained unutilized during the POI. Refer to para nos. 34 & 36 of the Preliminary Determination Report.</p> <p>The Commission has complied with all the provisions of Anti-Dumping Duties Act, 2015.</p> <p>Annual contracts do not appear to constitute firm supply or offtake arrangements, as both customers and the domestic industry frequently defer volumes under these contracts.</p> <p>The Commission has determined 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 providing such information. However, in terms of Sub-Section (5) of Section 31, non-confidential summaries of all confidential information, which provide reasonable understanding of the substance, are placed in public files for review and copying of the interested parties.</p>

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<p>Evidence of Export Price</p> <p>Section 10 of the Act defines 'Export Price' as price paid or payable of investigated product sold for export to the Pakistan.....The NTC in its initiation memo at para 13.2.2 has stated that the applicant was asked to provide some concrete evidence in this regard, however, the NTC failed to ascertain the 'price paid or payable' and clarify the doubts raised by the applicant. In view of this, the NTC for purpose of calculating export prices has relied upon import prices appearing in Customs import data. The NTC in this regard failed to clear the doubts created by the applicant in this regard. In Guatemala Cement-II WTO panel held that "In our view, however, Mexico is in fact arguing that statements of conclusion unsubstantiated by facts cannot satisfy the requirement of Article 5.3. We agree with Mexico that statements of conclusion unsubstantiated by facts do not constitute evidence of the type required by Article 5.2, and which allows an objective examination of its adequacy and accuracy by an investigating authority as provided in Article 5.3." (Para 8.53). In view of these submissions, it is clear that NTC failed to fulfil its obligations with regard to examination of accuracy and adequacy of data/evidence and has relied on mere bald assertions which are not sufficient for initiation of investigation.</p>	<p>It is worth mentioning here that while making this preliminary determination, the normal value and export price are determined based on the information provided by the cooperating exporters from China on exporters questionnaire. Please refer to part B of the Preliminary Determination report.</p>
<p>Evidence of Normal Value</p> <p>The domestic industry at para 8.A of the application stated that the domestic prices in China are available in ICIS data, however, the operating margins between price and main feedstock, PX, is unreasonably low. This margin is insufficient to cover the full cost of PTA production. This assertion is without any evidence and is not more than 'bald assertion' and contrary to the agreements between LCPL and the purchasers. The applicant has resorted to the arbitrary costing of Wood Mackenzie which contain an unrealistic 'Capital Cost recovery' of 10.68% of total cost.</p> <p>The NTC instead of calculating normal value on basis of ICIS published prices established Normal value on basis of Cost of domestic production in spite of the fact that domestic industry itself accepted that its cost is abnormally high due to increase in prices of gas and restrictions on foreign exchange besides extra ordinary old plant involving higher repair and maintenance cost. The NTC thus failed to fulfil its functions in the light of standard set out in Guatemala Cement-II case.</p>	
<p>Evidence of Injury</p> <p>The evidence of injury to domestic industry would have to be seen in the light of the performance of the domestic industry as reflected in 'Directors Report to Members as are available in the company annual reports, the company's ability/capacity to meet domestic demand and the manner in which the domestic industries' performance have been perceived in the initiation memo prepared by NTC. All these becomes evidence of injury in terms of Section 20 the Act for initiation of investigation.</p> <p>Volume Effects</p> <p>The main users of PTA are the Polyester Staple Fiber (PSF) and Polyester Filament Yarn (PFY) and Pet resin industry.....there is no injury to the domestic</p>	<p>The domestic industry has a capacity to meet around 65% of the total demand of the investigated product. Around 15-30 percent of the installed capacity of the domestic industry remained unutilized during the POI. Refer to para nos. 34 & 36 of the Preliminary Determination Report.</p> <p>The shutdowns experienced by the domestic industry were attributable either to macro-economic constraints or to reduced customer offtake resulting from the availability of lower-priced dumped imports. Notwithstanding these shutdowns, during the on-the-spot verification visit at the premises of the domestic industry, it was verified that the</p>

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<p><i>industry on account of volume of alleged dumped imports. It is also clear from above that increased in imports from alleged dumped sources is because of increase in domestic demand, to which domestic industry is not capable to respond. The case of volume effects is on the contrary, injurious for and against the interest of downstream industry which often cannot get its raw material requirements from LCPL and have to face short supplies on one pretext or other.</i></p>	<p>domestic industry maintained substantial inventory and carried sufficient capacity to meet its contractual obligations.</p> <p>Injury to the domestic industry is determined in accordance with provisions of the Act & Rules. Please refer to Part C of the Preliminary Determination Report.</p>
<p>Price Effects <i>The declared 'price undercutting' of around 3% during POI is not because of the price of imports from alleged dumped sources but because of contracted price agreed with the downstream industries..... In absence of base factors, volume effects and price effects, there could be No consequential effects of dumping.</i></p>	<p>The Commission has determined price effects as per Section 15 of the Act. Please refer to para no. 33 of the Preliminary Determination Report.</p> <p>During the on-the-spot verification visit, examination of the records maintained by the domestic industry established that the user industry has been engaging in an exploitative practice by compelling reductions in contractual prices, relying on the offer prices of low-priced dumped imports originating from China.</p>
<p>Market share and sales <i>The domestic industry achieved market share up to its capacity during 2022-23and 2024-25. The reasons for lower market share during 2023-24 is explained above.</i></p>	<p>The domestic industry has a capacity to meet around 65% of the total demand of the investigated product. Around 15-30 percent of the installed capacity of the domestic industry remained unutilized during the POI. Refer to para nos. 34 & 36 of the Preliminary Determination Report.</p>
<p>Production and Capacity Utilization <i>The domestic industry achieved production up to its optimum capacity during 2022-23and 2024-25. The reasons for lower production during 2023-24 is explained above.</i></p>	<p>Refer to Table XII of the Preliminary Determination report regarding effects on inventories due to dumped imports.</p>
<p>Gross Profit & Net Profit <i>The company itself explained its reduced profitability in its annual report 2023.....no injury to domestic industry on account of dumping.</i></p>	<p>Please refer to para no. 38 of this report for analysis and conclusion on profit and loss.</p>
<p>Evidence of Causal Link <i>The absence of volume effects as explained clearly reveals that there could be no injury on account of dumping. The reason for low operating level during 2022-23 and low profitability are explained by company itself in Directors report for the year which in itself explains the absence of causal link of dumping and injury.....</i></p>	<p>The Commission has concluded that there was a causal link between dumped imports of investigated product and material injury suffered by the domestic industry. Please refer to part D of the Preliminary Determination report.</p>
<p>Outdated PTA Plant & Reliability <i>The PTA plant operated by Lotte Chemical Pakistan is nearly 40 years old, based on outdated and inefficiency technology compared to modern plants globally. As a result, its energy consumption and production cost are considerably high. Furthermore, due to plant's age, reliability is serious concern.....</i></p>	<p>The newer plants are capital-intensive and bear financing costs, whereas there is no long-term debt on domestic industry. Efficiency does not entitle exporters to sell below fair value, nor does it diminish the causal link between dumped prices and injury. Please refer to Part B of the Preliminary Determination Report.</p>

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<p><i>Confidentiality of Information</i></p> <p><i>In terms of Section 31(5) of the Act any party submitting any information with request to keep it confidential shall submit non confidential summaries of the information submitted in confidence.....</i></p>	<p>The Commission has determined 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 providing such information. However, in terms of Sub-Section (5) of Section 31, non-confidential summaries of all confidential information, which provide reasonable understanding of the substance, are placed in public files for review and copying of the interested parties</p>
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