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**F. No-14/33/2016-DGAD  
Government of India  
Department of Commerce  
Ministry of Commerce & Industry  
(Directorate General of Anti Dumping & Allied Duties)  
4th Floor, Jeevan Tara Building, Parliament Street**

Dated 22<sup>nd</sup> August, 2017

**INITIATION NOTIFICATION**

**Subject: Initiation of Anti-Dumping investigation concerning imports of “Nylon Filament Yarn (Multi Filament)” originating in or exported from European Union and Vietnam.**

F.No.14/33/2016-DGAD: M/s JCT Limited, M/s Gujarat Polyfilms Pvt Ltd, M/s Gujarat State Fertilizers and Chemicals Ltd, M/s Prafful Overseas Pvt. Ltd & AYM Syntex (Formerly known as Welspun Syntex) (hereinafter referred to as ‘petitioner companies’ or “the applicants”) have filed an application (also referred to as petition) along with relevant information before the Designated Authority (hereinafter referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred to as the ‘Act’) and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped articles and for Determination of injury) Rules, 1995 as amended from time to time (hereinafter referred to as the AD Rules) for initiation of anti dumping investigation concerning imports of ‘Nylon Filament Yarn (Multi Filament)’ (hereinafter referred to as the subject goods) originating in or exported from European Union and Vietnam (hereinafter also referred to as the subject countries).

2. And whereas, the Authority finds that sufficient prima facie evidence of dumping of the subject goods originating in or exported from the subject countries, ‘injury’ to the domestic industry and causal link between the dumping and ‘injury’ exists to justify initiation of an anti dumping investigation. The Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of the Rules 5 of the AD Rules, to determine the existence, degree and effect of any alleged dumping and to recommend the amount of antidumping duty, which if levied, would be adequate to remove the ‘injury’ to the domestic industry.

**A. Product under consideration and like article**

3. The product under consideration in the present investigation is “Synthetic Filament Yarn of Nylon” also known as Polyamide Yarns. Nylon Filament Yarn is a synthetic filament yarn

produced by polymerization of organic monomers. The product under consideration is multi-filament.

4. The product under consideration includes all kinds of synthetic filament yarns of Nylon or Polyamides, such as flat yarn - twisted and/or untwisted, fully drawn yarn (FDY), spin drawn yarn (SDY), fully oriented yarn (FOY), high oriented yarn (HOY), partially oriented yarn (POY), textured yarn – twisted and/or untwisted, and dyed yarn, single, double, multiple, folded or cabled, classifiable within Chapter 54 under customs subheading no. 5402. The product includes all variants of Nylon Filament Yarn or Polyamide Yarns such as flat/textured/ twisted/ untwisted, bright/semi-dull/full-dull (or variants thereof), grey/ colored/ dyed (or variants thereof), single/double/ multiple/folded/cabled (or variants thereof), whether or not sized, but *excludes* high tenacity yarn of nylon classifiable under customs sub-heading 5402.10. The subject goods are classified under Chapter 54 of the Custom Tariff Act. The major end uses of NFY are in home furnishing and industrial application areas such as curtains, sewing and embroidery thread, upholstery, fishnets etc. Customs classifications are indicative only and are in no way binding on the scope of the present investigation.
5. Various types of Nylon Filament Yarn such as Flat yarn, crimped yarn, partially oriented yarn, Fully Oriented yarns / Fully Drawn Yarns (FOY/FDY are also within the scope of the present investigation. Specifically excluded from the scope of product under consideration are all man-made filament yarns not having Nylon or Polyamides and mono filament yarn.
6. Domestic Industry has suggested Product Control Numbers(PCNs) for PUC based on various parameters like denier, lustre, grade etc. However, the Designated Authority has not taken any final decision on PCNs for the purpose of fair comparison between the products produced by Foreign Producers and Domestic Industry.

Domestic industry as well as Producer(s)/Exporter(s) would be requested to submit details/data for all the identifiable/ well recognised sub categories of products falling under the PUC as defined above. Only after getting the details/data from Producer(s)/Exporter(s) and the Domestic Industry, a final view would be taken on whether to sub classify the PUC into as PCNs or not and if yes, which parameters to use for PCNs.

## **B. Domestic Industry & Standing**

7. The application has been filed by M/s JCT Limited, M/s Gujarat Polyfilms Pvt Ltd, M/s Gujarat State Fertilizers and Chemicals Ltd, M/s Prafful Overseas Pvt. Ltd & AYM Syntex (Formerly known as Welspun Syntex). There are five other Indian producers of the product, namely, Salasar,JPB Fiber, Gupta Sythetics Limited, Century Enka, and Oriilon India Pvt Ltd. All the other producers have supported the application. It is noted that the production by the applicants constitute ‘a major proportion’ of Indian production of the like product produced in India. Further, petitioners have neither imported the subject goods nor are they related to any importer or exporter of the subject goods. It is, thus, determined that the application has been made by and on behalf of the domestic industry and the application

satisfies the requirements of ‘standing’ under Rule 5 of the AD Rules. Further, the applicants constitute ‘Domestic Industry’ in terms of Rule 2(b) of the AD Rules.

### **C. Like Article**

8. The applicants have claimed that there is no known difference in product produced by the applicants and exported from the subject countries. Both products have comparable characteristics in terms of parameters such as physical & chemical characteristics, functions & uses, product specifications, pricing, distribution & marketing and tariff classification, etc. It has been claimed by the domestic industry that comparison of essential product properties in respect of domestic product and imported product show that the subject goods produced by the domestic industry are similar to the subject goods imported from subject countries in terms of essential product properties.

### **D. Countries involved and de minimis limits**

9. The countries involved in the present investigation are European Union and Vietnam (hereinafter referred to as ‘Subject Countries’).

### **E. Normal value in subject countries**

10. The applicant has claimed that in the absence of the availability of reliable information of the domestic prices of the subject goods in the subject countries in the public domain, the normal value in subject countries have been estimated on the basis of cost of production in India, duly adjusting for selling, general and administrative expenses and reasonable profit.

### **F. Export Price**

11. Export Prices at ex-factory level have been determined considering volume and value of imports as per data released by DGCIS transaction wise. Price adjustments have been claimed on account of freight, insurance, port expenses, inland freight , bank charges and commission etc , on the basis of best available information.

### **G. Dumping Margin**

12. The normal value has been compared with the export price at ex-factory level. There is sufficient prima facie evidence that the normal value of the subject goods in the subject countries are higher than the ex-factory export price, indicating, that the subject goods are being dumped into the Indian market by the exporters from the subject countries. The dumping margins are estimated to be above de minimis.

### **H. Evidence of Injury and Causal Link**

13. Information furnished by the applicant has been considered for assessment of injury to the domestic industry. The applicant has furnished evidence regarding the injury having taken place as a result of the alleged dumping in the form of increased volume of dumped imports in absolute terms and in relation to consumption, price undercutting, price underselling and consequent significant adverse impact on profitability, return on capital employed, cash flow, performance on account of, market share and inventories of the domestic industry. There is sufficient prima facie evidence of ‘material injury’ being suffered by the domestic industry caused by alleged dumped imports from the subject countries to justify initiation of an antidumping investigation.

#### **I. Initiation of investigation**

14. The authority finds sufficient prima facie evidence of dumping of subject goods, originating in or exported from the subject countries; injury to the domestic industry and causal link between alleged dumping and injury, to justify initiation of anti-dumping investigation to determine the existence, degree and effect of alleged dumping and to recommend the amount of anti dumping duty, which if levied, would be adequate to remove the ‘injury’ to the domestic industry. Accordingly, the authority hereby initiates an investigation into the alleged dumping and consequent injury to the domestic industry in terms of Para 5 of the Rules.

#### **J. Period of investigation (POI)**

15. The period of investigation proposed by the applicants is April 2015-September 2016, however, the Authority has taken the period of investigation as October 2015 – March 2017 (18 Months). The injury investigation period shall cover the periods 2013-14, 2014-15 and 2015-16 and the period of investigation.

#### **K. Submission of Information**

16. The known exporters in the subject countries, the Government of the subject countries through their embassies in India, the importers and users in India known to be concerned with the product are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Authority at the following address:

**The Designated Authority,**  
Directorate General of Anti-Dumping & Allied Duties,  
Ministry of Commerce & Industry,  
Department of Commerce  
4th Floor, Jeevan Tara Building,  
5 Parliament Street,  
New Delhi -110001.  
[dgad.india@gov.in](mailto:dgad.india@gov.in)

17. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner (downloadable from the website of the authority at [www.dgtr.gov.in](http://www.dgtr.gov.in) ) within the time limit set out below.

**L. Time limit**

18. Any information relating to the present investigation and any request for hearing should be sent in writing so as to reach the Authority at the address mentioned above not later than forty days (40 Days) from the date of publication of this Notification. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record its findings on the basis of the facts available on record in accordance with the Anti-Dumping Rules.
19. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter within two weeks from the date of this notification and file their questionnaire responses and offer their comments to the domestic industry's application within 40 days from the date of publication of this notification.

**M. Submission of Information on Confidential/Non-Confidential basis**

20. In case confidentiality is claimed on any part of the questionnaire's response/submissions, the same must be submitted in two separate sets (a) marked as Confidential (with title, index, number of pages, etc.) and (b) other set marked as Non Confidential (with title, index, number of pages, etc.). All the information supplied must be clearly marked as either "confidential" or "non-confidential" at the top of each page.
21. Information supplied without any confidential marking shall be treated as non-confidential and the Authority shall be at liberty to allow the other interested parties to inspect any such non-confidential information. Two (2) copies of the confidential version and of the non-confidential version must be submitted by all the interested parties.
22. For information claimed as confidential; the supplier of the information is required to provide a good cause statement along with the supplied information as to why such Information cannot be disclosed and/or why summarization of such information is not possible.
23. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out /summarized depending upon the information on which confidentiality is claimed. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, parties submitting the confidential information may indicate that such information is not susceptible to summarization; a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.

24. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.
25. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim may not be taken on record by the Authority. The Authority on being satisfied and accepting the need for confidentiality of the information provided; shall not disclose it to any party without specific authorization of the party providing such information.

**N. Inspection of Public File**

26. In terms of rule 6(7) of Anti-Dumping Rules any interested party may inspect the public file containing non-confidential versions of the evidence submitted by other interested parties.

**O. Non-cooperation**

27. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.

(Dr. Inder Jit Singh)  
Additional Secretary & Designated Authority