

## 中華民國常駐世界貿易組織代表團 函



受文者：經濟部國際貿易署

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速別：速件

密等及解密條件或保密期限：

附件：節略-巴基斯坦-聚氯乙炔脂落日複查 1件，巴基斯坦-聚氯乙炔脂落日複查-基本事實 1件 (1697809631\_節略-巴基斯坦-聚氯乙炔脂落日複查.pdf、1697809631\_巴基斯坦-聚氯乙炔脂落日複查-基本事實.pdf)

主旨：有關巴基斯坦對自我國等進口之聚氯乙炔樹脂

(Polyvinyl Chloride Resin Suspension Grade) 展開落日複查，檢送巴國公布之基本事實報告 (Statement on Essential Facts, SEF)，敬請查照。



說明：

- 一、依本 (2023) 年10月20日巴基斯坦國駐WTO代表團轉巴國國家關稅委員會 (National Tariff Commission, NTC) 本年10月17日致本團之本案節略及旨揭報告 (分如附件一及二) 辦理。相關文號：本團111年7月8日世貿字第1114340741號函。
- 二、本案巴國對自我國所有出口商之旨揭產品課徵16.68%之反傾銷稅。根據前揭節略及報告之第2及3節，NTC依反傾銷協定第6.9條及巴國反傾銷規則第15(1)條，在對複查做出最終認定之至少30天前，應告知所有利害關係人其決定是否採行最終措施所依據認定之基本事實。另根據巴國反傾銷

規則第15(2)條，提供SEF之目的是在決定採行最終措施之至少30天前，提供利害關係人機會以針對其SEF之內容提出書面評論。提出書面評論之期限是在SEF公布後之15天內。有關書面評論應致送之NTC對象，請參見SEF之第4節。

正本：經濟部國際貿易署

副本：行政院經貿談判辦公室、外交部、經濟部國際貿易署綜合企劃組、財政部關務署  
(均含附件)



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[www.ntc.gov.pk](http://www.ntc.gov.pk)

S.S.R. No.50 /2016/NTC/PVC/SR-I/2022

**Government of Pakistan  
National Tariff Commission**

Subject: **Statement of Essential Facts Concerning Sunset Review of Anti-Dumping Duties Imposed on Dumped Imports of Polyvinyl Chloride Resin Suspension Grade Originating in and/or Exported from the People's Republic of China, Chinese Taipei, Republic of Korea and Kingdom of Thailand.**

The National Tariff Commission (the “Commission”) Government of the Islamic Republic of Pakistan presents its compliments to the esteemed Chinese Taipei Mission to the WTO in Geneva and has the honor to invite its attention to this Commission’s earlier note verbale of even number dated June 13, 2022, regarding initiation of the subject Sunset Review.

Article 6.9 of the Agreement on Implementation of Article VI of the GATT 1994, and Rule 15(1) of Anti-Dumping Duties Rules 2022 (the “Rules”), require that at least thirty days before the proposed date of final determination, the Commission shall inform all interested parties, in writing, subject to requirement to protect confidential information under Section 31 of the Anti-Dumping Duties Act, 2015 (the “Act”), of the essential facts under consideration which shall form the basis of a decision whether to continue definitive anti-dumping measures under the Act.

The Commission is likely to finalize this review shortly. A copy of the Statement of Essential Facts (SEF) pertaining to the subject case is enclosed herewith.

It is requested to submit comments (if any), on the essential facts in writing, not later than fifteen (15) days of issuance of the SEF. Further, kindly provide documentary evidence in support of the comments.

National Tariff Commission, Government of Islamic Republic of Pakistan avails itself of this opportunity to renew to the esteemed Chinese Taipei Mission to the WTO in Geneva the assurances of its highest consideration.

October 17, 2023

His Excellency, The Ambassador,  
The Chinese Taipei Consulate in Geneva,  
Trade Office of Taiwan in Geneva, Switzerland  
56, Rue De Moillebeau 1209, Geneva, Switzerland.  
Fax: (002-41-22)9197077.



**Government of Pakistan  
National Tariff Commission**

**STATEMENT OF ESSENTIAL FACTS**

**OF**

**Sunset Review of the Anti-Dumping Duties Imposed on Dumped Imports  
of Polyvinyl Chloride Resin (Suspension Grade) Imported from People's  
Republic of China, Chinese Taipei, Republic of Korea and Kingdom of  
Thailand**

**A.D.C No. 50/2016/NTC/PVC/SR-I/2022  
October 17, 2023**

**A. Introduction**

This Statement of Essential Facts (“SEF”) is prepared pursuant to Rule 15 of the Anti-Dumping Duties Rules, 2022 (the “Rules”) in relation to Sunset Review of the anti-dumping duties imposed by the National Tariff Commission (the “Commission”) on June 13, 2017, on dumped imports of Polyvinyl Chloride Resin Suspension Grade (“PVC Resin”) originating in/and or exported from the People’s Republic of China, Chinese Taipei, Republic of Korea and Kingdom of Thailand (the “Exporting Countries”). The Commission initiated this sunset review on June 08, 2022, following receipt of an application from the domestic industry manufacturing PVC Resin in response to the notice of impending expiry of antidumping duties imposed on dumped imports of PVC Resin originating in/and or exported from the Exporting Countries, published in official Gazette and national press on March 08, 2022, in accordance with Section 58(2) of the Anti-Dumping Duties Act, 2015 (the “Act”).

**B. Purpose**

2. In terms of Rule 15 (1) of the Rules, at least thirty days before the proposed date of the conclusion of a sunset review, the Commission shall inform all interested parties, in writing, of the essential facts under consideration which shall form the basis of a decision for whether the expiry of definitive anti-dumping duties would likely to lead to continuation or recurrence of dumping of PVC Resin from the Exporting Countries and injury to the domestic industry manufacturing PVC Resin in terms of provisions of the Act. In terms of Section 62(2) of the Act, the sunset review under Section 58 of the Act shall normally be completed within twelve months from its initiation. However, during the period from December 30, 2022, to August 29, 2023, the Commission was *coram-non-judice* as defined under Section 15 of the NTC Act 2015 due to retirement of members. Therefore, this sunset review was kept pending during this period.

3. Purpose of this SEF is to provide interested parties an opportunity to comment on essential facts before the sunset review is concluded. In terms of Rule 15(2) of the Rules, the interested parties may submit views, comments, if any, in writing on the information disclosed in this SEF, not later than fifteen days of such disclosure by the Commission.

4. Interested parties intending to respond to this SEF must also submit a non-confidential version of the confidential information, in terms of Section 31 of the Act, to be placed on the public file maintained by the Commission under Rule 7 of the Rules. Submissions should be sent to:

Mr. Farrukh Mukhtar  
Director (Investigation-I),  
National Tariff Commission,  
State Life Building No. 5, Blue Area,  
Islamabad.  
Ph: +92-51-9212521  
Fax: +92-51-9221205  
Email: farrukh@ntc.gov.pk, farrukhmukhtar@hotmail.com

**C. Essential Facts of the Case**

**5. Anti-Dumping Duties Imposed on Dumped Imports of PVC Resin**

The Commission imposed following definitive anti-dumping duties on dumped imports of PVC Resin from the Exporting Countries for a period of five years effective from June 13, 2017:

**Table-I**  
**Original Anti-Dumping Duty Rates**

<b>Country</b>	<b>Exporter/Foreign Producer</b>	<b>Duty rate (%)</b>
(1)	(2)	(3)
China	Xinjiang Tianye (Group) Foreign Trade Co. Ltd	3.44
	Inner Mongolia Wuhai Chemical Industry Co., Ltd	6.65
	Tianjin LG Bohai Chemical Co. Ltd	20.47
	Tianjin Dagu Chemical Co., Ltd	14.34
	All other exporters	20.47
Korea	LG Chem, Korea	4.00
	All Other Exporters	14.97
Thailand	All Exporters	13.98
Chinese Taipei	All Exporters	16.68

## **6. Receipt of Application**

6.1 The Commission published a notice of impending expiry of anti-dumping duties imposed on dumped imports of PVC Resin from the Exporting Countries in official Gazette and national press on March 08, 2022, in accordance with Section 58(2) of the Act.

6.2 The Commission on April 22, 2022, received a written application under Section 58 of the Act from M/s Engro Polymer and Chemicals Limited Karachi (the “Applicant”), domestic producer of PVC Resin, in response to the notice of impending expiry.

6.3 The Applicant stated that expiry of anti-dumping duties on PVC Resin imported from the Exporting Countries would be likely to lead to the continuation or recurrence of dumping of PVC Resin and injury to the domestic industry. The Applicant has requested the Commission for continuation of the anti-dumping duties on dumped imports of PVC Resin originating in and/ or exported from the Exporting Countries to Pakistan for a period of another five years.

## **7. The Domestic Industry**

7.1 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” may 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;*

- (a) *one of them directly or indirectly controls the other;*
- (b) *both of them are directly or indirectly controlled by the same third person; or*
- (c) *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”.*

7.2 Currently the domestic industry manufacturing PVC Resin consists of one unit i.e., M/s Engro Polymer and Chemicals Limited Karachi (the “Applicant”). During the years 2013-15, the Company underwent expansion projects to increase the capacity from 150,000 MT to 178,000 MT per annum. Further, in 2017 debottlenecking of plant increased production capacity to 195,000 MT. The company further increased its production capacity by setting up Plant III of 100,000 MT in December 2021 and at present its capacity is 295,000 MT per annum.

## **8. Domestic Industry and Standing**

8.1 The application fulfils requirements of Section 24 of the Act which enjoins upon the Commission to assess the standing of the domestic industry on the basis of the degree of support for or opposition to the application expressed by the domestic producers of the like product.

8.2 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. 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 domestic like product produced by the domestic industry.

8.3 The application has been filed by the M/s Engro Polymer and Chemicals Limited Karachi whose output constitutes 100 percent of the domestic production, as the Applicant is the only unit manufacturing PVC Resin in Pakistan. Thus, the application fulfills requirements set out in Section 24 of the Act.

## **9. Initiation of Sunset Review**

9.1 Upon examination of the application, the Commission established that it met the requirements of Section 58 of the Act. Therefore, the Commission decided to initiate sunset review on June 08, 2022, to determine whether expiry of antidumping duties would be likely to lead to continuation or recurrence of dumping of PVC Resin from the Exporting Countries and injury to the domestic industry.

9.2 In terms of Section 27 of the Act, the Commission issued a notice of initiation of the sunset review of anti-dumping duties imposed on dumped imports of PVC Resin from the Exporting Countries, which was published in the official Gazette<sup>1</sup> of Pakistan and in two widely circulated national newspapers<sup>2</sup> (one in English language and one in Urdu Language) on June 08, 2022. Thus, this sunset review was initiated on June 08, 2022.

9.3 The Commission notified the esteemed Embassies of the Exporting Countries on June 13, 2022, of the initiation of sunset review by sending a copy of the notice of initiation of sunset review. Copies of notice of initiation were also sent to the Applicant, known importers and exporters of PVC Resin from the Exporting Countries on June 13, 2022, in accordance with the requirements of Section 27 of the Act.

9.4 In accordance with Section 28 of the Act, on June 30, 2022, the Commission also sent copy of full text of the written application (non-confidential version) to the esteemed Embassies of the Exporting Countries in Pakistan and on July 01, 2022, to the known exporters/producers of PVC Resin in the Exporting Countries.

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<sup>1</sup> The official Gazette of Pakistan (Extraordinary) dated June 08, 2022.

<sup>2</sup> Daily Jang June 08, 2022, and daily Express Tribune of June 08, 2022.

**10. Period of Review**

The Period of Review (“POR”) for this sunset review is from January 01, 2019, to December 31, 2021.

**11. The Product under Review and the Domestic Like Product**

**11.1 The Product under Review**

11.1.1 The product under review is Polyvinyl Chloride Resin Suspension Grade (“PVC Resin”) imported from the Exporting Countries. PVC Resin falls under Pakistan Customs Tariff (“PCT”) No. 3904.1090 (the “product under review”).

11.1.2 The product under review has a large number of end-use applications. It is mainly used in the manufacturing of pipes & fittings, garden hoses, shoes, cables, films & sheets, compounding, packing etc.

11.1.3 Following table shows tariff structure applicable on import of PVC Resin during last three years:

**Table-II  
Tariff Structure**

Years	PCT Code	PCT Description	CD+ACD+RD (%)	FTA
Jul. 2019 – Jun. 2020	3904.1090	Polymer of vinyl chloride or other halogenated olefins, in primary form  ---Other	11 + 2 + 0	SAARC_LDC 's=Conc. 15%
Jul. 2020 – Jun. 2021				
Jul. 2021 – Jun. 2022				

**11.2. Domestic like product**

The “domestic like product” is PVC Resin Suspension Grade (“PVC Resin”). The domestic product falls under PCT No. 3904.1090. The domestic product is mainly used for pipes & fittings, garden hose, shoes, cables, films & sheets, compounding, packing etc.

**12. Information/Data Gathering**

12.1 The Commission sent questionnaires on July 01, 2022, to the known exporters/ producers of PVC Resin from the Exporting Countries, asking them to respond within 37 days of the dispatch of the questionnaires. The Commission also dispatched a copy of the Questionnaire to the esteemed embassies of China, Korea and Thailand in Pakistan, and to esteemed Chinese Taipei Mission to the WTO through Pakistan’s Permanent Mission to the WTO on June 30, 2022, with a request to share it to all known exporters/ producers of PVC Resin in the Exporting Countries.

12.2 No response from any exporter/ foreign producer was received within the prescribed time period. Therefore, reminders were issued to the exporters/foreign producers on August 23, 2022, explaining that, if no response of the questionnaire is submitted by them, the Commission will be constrained to make determination of likely continuation or recurrence of dumping of the product under review on the basis of “Best Information Available” including those contained in the application submitted by the domestic industry. However, none of the exporters/ producers from the Exporting Countries responded to the Commission and did not provide requisite data/information.



12.3 Questionnaires were also sent to known importers of the product under review on June 30, 2022. However, none of the importers have provided requisite data/information on the prescribed questionnaire. ATS Synthetics, an importer of PVC Resin requested extension till August 30, 2022, to submit the data on the importer's questionnaire. Extension was granted to ATS Synthetics for submission of requisite data/information. On August 23, 2022 the Commission issued reminder to all the importers to submit the data/information on importer's questionnaire by September 03, 2022, explaining that, if no response of the questionnaire is submitted by them, the Commission will be constrained to make determination of likely continuation or recurrence of dumping of the product under review on the basis of "Best Information Available" including those contained in the application submitted by the domestic industry. No response from any importer received within the prescribed time limit. On September 28, 2022, the Commission sent a letter to ATS Synthetics Pvt. Limited and asked it to submit the requisite data/information latest by October 15, 2022. However, no data/information was received from ATS Synthetics Pvt. Ltd.

12.4 Fact is that for the purpose of this review, the Commission has also used import data obtained from Pakistan Customs database in addition to the information provided by the Applicant and other interested parties. In addition to this, the Commission has also obtained certain information from publicly available sources, which, *inter-alia*, includes articles published in different journals and the International Trade Centre databases etc.

### 13. **Written Submissions by the Interested Parties**

13.1 All interested parties were invited to make their views/comments known to the Commission and to submit information and documents (if any) with regard to this sunset review. The Commission has received written submissions/comments from the following parties: -

- (a) M/s Al Qaim Industries
- (b) M/s ATS Synthetics (Pvt.) Ltd.
- (c) M/s Alpha Pipe Industries Ltd.
- (d) M/s Shafisons Engineering (Pvt.) Ltd.

The above mentioned interested parties broadly raised the following issues:

- i. The Applicant did not have sufficient capacity to meet the total domestic demand and it delays the delivery of orders placed by customers.
- ii. Claimed that Engro uses quota system and reduces the supplies whenever it wants.
- iii. Engro Chemical Ltd. is a single manufacturer of PVC Resin in Pakistan and entire PVC industry depends on their regular and continuous supply of PVC Resin. According to interested parties, it is a big risk in case of technical shut down or any other reason and thousands of factories across the country will be closed.

13.2 The Commission wrote letters to the interested parties who raised comments/issues and sought evidence regarding their claims made against the Applicant's capacity, quota system, demand & supply of the product under review. The interested parties were requested to confirm and substantiate with proof if their companies/firms are facing any difficulty in getting PVC Resin in a timely manner. However, not a single interested party replied to the Commission's letters. The Commission also shared the comments of interested parties with the Applicant and requested it to submit its response to the queries raised by the interested parties along with verifiable evidence. The Applicant's submissions are stated below:

- "Keeping in view the growing demand of PVC in domestic market, the Applicant has expanded its capacity. An additional capacity of 100,000 MT has been added thereby increasing Applicant's total capacity to 295,000 MT, whereas the demand in domestic market reached at its peak of \*\*\*MT during the last year of POR. Apart from serving the domestic demand the added capacity

was used to increase Applicant's exports to the level of \*\*\*MT. Further, it denied the importers' claims of insufficient capacity and delays in delivery of orders placed by customers.

- The stance of importers regarding quota system is baseless, as the Applicant does not believe in quota system. With a 100,000 MT addition in capacity, the Applicant cannot afford not to make timely sales or restrict its production/supply.
- The argument of importers regarding the monopoly position of the Applicant is incomprehensible; the PVC industry requires a higher level of investment and expertise. Due to these reasons, no other unit has entered the industry, and the Applicant is continuously making efforts to fulfil entire domestic demand. Based on the logic of importers, does it mean that if domestic industry comprises of a single unit, it does not deserve any protection against dumped imports? Technical shutdowns are exceptions and may happen with any industry in any part of the world. Importers can import from non-dumped sources in case of any such event”.

13.3 The Commission has carefully reviewed all issues raised by the interested parties in their views /comments submitted in writing regarding this sunset review and has considered all information, evidence, views /comments of the interested parties.

#### **14. Confidentiality**

14.1 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 the interested parties upon good cause shown to be kept confidential.

14.2 The Applicant has 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, investment, salaries & wages, number of employees etc. In addition to this, the Applicant has also provided certain other information on confidential basis under Section 31(2)(c), as such information, e.g., export or import price and import volume etc., which may lead to the disclosure of the by nature confidential information by way of reverse calculations. However, it has submitted non-confidential summaries of the confidential information in accordance with Section 31(5) of the Act. Non-confidential summaries permit a reasonable understanding of the information submitted in the confidence.

14.3 Pursuant to requests made by the Applicant to treat certain information as confidential, 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 Applicant. However, in terms of Sub-Section (5) of Section 31, non-confidential summaries of all confidential information, which provide reasonable understanding of the substance, have been placed in non-confidential file (public file).

#### **15. Verification of the Information**

15.1 In order to verify the information/data provided by the Applicant and to obtain further information (if any) in terms of Rule 11 of the Rules, officers of the Commission conducted On-the-Spot investigation from January 17-19, 2023, at the office/plant of the Applicant.

15.2 The report of on-the-spot investigation conducted at the premises of the Applicant was provided in full to the Applicant. Non-confidential version of the report of On-the-Spot Investigation was made available to other interested parties by placing the same in the public file.

**16. Public File**

In accordance with Rule 7 of the Rules, the Commission has established and maintained a public file at its office in this sunset review. This file remains available to the interested parties for review and copying from Monday to Thursday between 1100 hours to 1300 hours throughout the sunset review. The public file contains non-confidential versions of the application, submissions, notices, correspondence, report of on-the-spot investigation and other documents for disclosure to the interested parties.

**17. Hearing**

In terms of Rule 14 (1) of the Rules, the Commission shall hold a hearing upon receipt of request from an interested party. As no interested party requested the Commission to hold a public hearing in this sunset review, no public hearing was held.

**18. Facts regarding Likelihood of Continuation or Recurrence of Dumping of the Product Under Review**

18.1 To determine the likelihood of continuation or recurrence of dumping of the product under review, the Commission will consider the following factors. Information on these factors has been gathered/obtained from different sources including the Applicant, PRAL, articles published in journals, ITC and other websites etc: -

- (a) Whether exporters/foreign producers of the Exporting Countries stopped or continued exporting to Pakistan the product under review after imposition of antidumping duties;
- (b) Whether exporters/foreign producers of the Exporting Countries have exportable surplus of the product under review;
- (c) Whether the product under review is subject to trade defense measures by any other country;
- (d) Whether exporters/foreign producers of the Exporting Countries have developed other export markets after imposition of the antidumping duties.

18.2 The Commission on April 22, 2022, received a written application under Section 58 of the Act from the Applicant, domestic producer of PVC Resin, in response to the notice of impending expiry. Upon examination of the application, the Commission established that it met the requirements of Section 58 of the Act. Therefore, the Commission decided to initiate sunset review on June 08, 2022, to determine whether expiry of antidumping duties would be likely to lead to continuation or recurrence of dumping of PVC Resin from the Exporting Countries and injury to the domestic industry in accordance with then applicable Anti-Dumping Duties Rules, 2001.

**18.3 Whether exporters/foreign producers of the Exporting Countries stopped or continued exporting to Pakistan the product under review after imposition of antidumping duties.**

18.3.1 The information relating to the imports of PVC Resin from the Exporting Countries and imports from sources other than dumped source during the period of original investigation and the POR is given below:

**Table-III**  
**Imports of PVC Resin (MT)**

Year/Period	Dumped Imports from Dumped Sources	Imports from Non-Dumped Sources	Total Imports
(1)	(2)	(3)	(4)
*Jul 15 – Jun 16	287	129	416
Jan. – Dec. 2019	8	398	406
Jan. – Dec. 2020	78	713	791
Jan. – Dec. 2021	11	89	100

\* POI of original investigation Source: PRAL

\*\*Note: For the purpose of confidentiality actual figures have been indexed by taking total imports for Jan-Dec. during the last year of POR as base.

**Table-IV**  
**Import volume and prices of PVC resin from dumped and non-dumped sources (MT)**

Year	Dumped Sources				Non-Dumped Sources		
	Volume of Imports (MT)	C&F Price of Import (Rs. /MT)	Landed Cost of Imports (Rs. /MT)		Volume of Imports (MT)	C&F Price of Import (Rs. /MT)	Landed Cost of Import (Rs. /MT)
			Without ADD	With ADD			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Jan. -Dec. 2019	9	68	79	86	448	72	84
Jan. -Dec. 2020	88	70	81	96	804	69	80
Jan. -Dec. 2021	13	100	115	129	100	99	113

Source: PRAL.

\*Note: For the purposes of confidentiality, actual figures of columns (2) and (6) have been indexed by taking volume of imports from non-dumped sources during the last year of POR as base while figures in all other columns have been indexed by taking C&F price of dumped imports during the last year of POR as base.

#### **18.4 Exportable Surplus/Increase in Inventories and Capacity of the Exporting Countries**

18.4.1 As per an Article titled “China Polyvinyl Chloride (PVC) Industry Report, 2018-2022 Research and Markets.com<sup>3</sup>”

“China’s PVC Resin industry is still expanding its production capacity in 2018-19. It is expected that by the end of 2020, China’s annual PVC Resin production capacity will exceed 27 million MT. China has grown from a net PVC importer into a net PVC exporter.”

18.4.2 In an article titled in the “Global Data<sup>4</sup> (a leading data and analytics company) “China to lead global polyvinyl chloride capacity additions by 2024”, states that:

“The global polyvinyl chloride (PVC) capacity is poised to see considerable growth by 2024, potentially increasing from 56.13 million MT per annum (mtpa) in 2019 to 65.60 mtpa in 2024,

<sup>3</sup> <https://apnews.com/press-release/business-wire/business-china-9847b568202145c785d2267e62d7d01f>

<sup>4</sup> <https://www.globaldata.com/china-lead-global-polyvinyl-chloride-capacity-additions-2024-says-globaldata/>

registering a total growth of 17%. China accounts for half of global capacity additions, says Global Data, a leading data and analytics company.”

“Furthermore, Global Polyvinyl Chloride (PVC) Industry Outlook to 2024 – Capacity and Capital Expenditure Forecasts with Details of All Active and Planned Plants’ reveals that China accounts for the highest capacity additions with increase from 24.37 million MT per annum (mtpa) in 2019 to 28.37 million MT per annum in 2024. Major capacity additions will be from the plant, Tianjin Bohai Chemical Development Company Tianjin PVC Plant with a capacity of 0.80 mtpa by 2024.”

After India, Thailand will be the third highest country in terms of capacity additions, with capacity increase from 1.09 mtpa in 2019 to 1.65 mtpa in 2024. Major capacity additions will be from the plant, Vinythai Map Ta Phut PVC Plant, with a capacity of 0.56 mtpa by 2024.

18.4.3 As per IHS Markit Publications<sup>5</sup>, higher operating rates and excess capacity keeps the production of South Korea and Chinese Taipei considerably higher than the domestic demand. As a result, there is a cumulative exportable surplus of ~1.8 Mn tons.

**18.5 Trade Defense Measures taken by Other Countries on Exports of PVC Resin by the Exporting Countries:**

Since the original investigation in 2015-16, the Indian authority has imposed trade remedial measures on import of PVC Resin from China in order to protect their domestic industry from imports at unfair (dumped) prices. On August 10, 2019, Indian authorities extended definitive anti-dumping duties for a period of five years imposed on the imports of PVC Resin from China and the United States following the conclusion of the sunset review.

**18.6 Whether exporters from the Exporting Countries have developed other export markets after imposition of antidumping duties.**

In order to analyze the impact of antidumping duties on the exporters /producers of PVC Resin from the Exporting Countries and to assess whether there is change in pattern of their exports, the trend of exports of the Exporting Countries needs to be analyzed. The exact information on exports of PVC Resin from the Exporting Countries is not available as it is very closely defined, therefore, the information available at the International Trade Centre (www.trademap.org) is broadly analyzed. Following table shows major exports destinations of the Exporting Countries under relevant HS codes at six digits level, which includes the product under review:

**Table-V**

**Major Export Markets of the Exporting Countries of PVC (MT)**

	<b>Destination</b>	<b>2015</b>	<b>Destination</b>	<b>2021</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>
Major Exports	India	157,777	India	304,071
	Malaysia	110,978	Viet Nam	219,702
	Russian Federation	65,893	Bangladesh	160,064
	Thailand	52,785	Brazil	86,034

<sup>5</sup> Connect.ihsmarkit.com

Statement of Essential Facts of Sunset Review of the Anti-dumping Duties Imposed on Dumped Imports of Polyvinyl Chloride Resin Suspension Grade Imported from China, Chinese Taipei, Korea, and Thailand

Markets of China	Kazakhstan	50,613	Nigeria	75,353
	Viet Nam	46,256	Egypt	74,889
	Uzbekistan	43,659	Kazakhstan	74,625
	Korea, Republic of	36,345	United Arab Emirates	73,410
	Kenya	34,365	Malaysia	70,691
	Pakistan	20,483	Pakistan	2,139
	Others	154,822	Others	613,298
	<b>Total</b>	<b>773,974</b>	<b>Total</b>	<b>1,754,276</b>
	<b>Destination</b>	<b>2015</b>	<b>Destination</b>	<b>2021</b>
Major Exports Markets of Korea	India	322,860	India	233,819
	China	46,194	Türkiye	49,536
	Türkiye	22,922	Nigeria	36,379
	Bangladesh	21,216	Brazil	20,275
	Malaysia	15,872	Bangladesh	18,450
	United Arab Emirates	12,883	South Africa	16,181
	South Africa	11,536	Egypt	14,824
	Iran, Islamic Republic of	11,125	Viet Nam	13,716
	Nigeria	11,116	United Arab Emirates	10,297
	Pakistan	5,234	Pakistan	1,016
	Other	108,954	Others	116,246
	<b>TOTAL</b>	<b>589,912</b>	<b>TOTAL</b>	<b>529,723</b>
	<b>Destination</b>	<b>2015</b>	<b>Destination</b>	<b>2021</b>
Major Exports Markets of Chinese Taipei	India	348,977	India	348,365
	China	199,917	China	228,229
	Bangladesh	46,729	Australia	172,801
	Viet Nam	33,587	Viet Nam	164,962
	United Arab Emirates	26,642	Bangladesh	129,112
	Sri Lanka	23,168	Brazil	65,837
	Brazil	21,224	New Zealand	23,953
	Türkiye	14,936	United Arab Emirates	21,151
	Australia	14,386	Saudi Arabia	16,697
	Pakistan	3,572	Pakistan	229
	Others	113,735	Others	108,112
	<b>Total</b>	<b>846,873</b>	<b>Total</b>	<b>1,279,448</b>
	<b>Destination</b>	<b>2015</b>	<b>Destination</b>	<b>2021</b>
Major Exports Markets of Thailand	Australia	46,404	India	117,290
	Malaysia	38,316	Viet Nam	45,363
	Indonesia	35,978	China	27,840
	Bangladesh	25,468	Malaysia	27,368
	India	23,058	Bangladesh	20,193
	Philippines	21,634	Cambodia	19,634
	Viet Nam	21,564	Indonesia	15,033
	Cambodia	15,683	Australia	12,062
	China	13,482	United Arab Emirates	10,589

Statement of Essential Facts of Sunset Review of the Anti-dumping Duties Imposed on Dumped Imports of Polyvinyl Chloride Resin Suspension Grade Imported from China, Chinese Taipei, Korea, and Thailand

	Pakistan	11,094	Pakistan	6,571
	Others	77,549	Others	76,308
	<b>Total</b>	<b>330,230</b>	<b>Total</b>	<b>378,251</b>
<b>Grand Total of Export under all four PCT Headings</b>		<b>2,540,989</b>	<b>Grand Total of Export under all four PCT Headings</b>	<b>3,941,698</b>

Source: Trade Map

\*Export data for China is at eight-digit level.

### 19. Likely Recurrence or Continuation of Injury to the Domestic Industry

19.1 Likelihood of Injury to the domestic industry will be determined in accordance with relevant provisions of the Act. The Commission will take into account all relevant factors in order to determine likely continuation or recurrence of injury to the domestic industry. To determine likelihood of continuation or recurrence of injury to the domestic industry, the Commission will, *inter alia*, consider the following factors:

- (a) Likely change in volume of imports of the product under review if anti-dumping duties are terminated;
- (b) Likely impact of imports of the product under review on prices of the domestic like product with and without antidumping duties; and
- (c) Consequent likely impact on the domestic industry, which includes likely and potential decline in: sales, profits, output, market share, productivity, return on investment, capacity utilization and likely negative effects on: cash flow, inventories, employment, wages, growth, ability to raise capital or investments.

19.2 Information/facts on injury factors are provided in the following paragraphs:

### 19.3 Volume of Imports of PVC Resin

The information on volume of dumped imports of the PVC from the Exporting Countries and imports from sources other than dumped sources during the Period of original investigation and during POR are given below in the table:

**Table-VI**  
**Imports of PVC Resin (MT)**

<b>Year/Period</b>	<b>Dumped Imports from the Exporting Countries</b>	<b>Imports from Non-Dumped Sources</b>	<b>Total Imports</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
*Jul 15 – Jun 16	287	129	416
Jan. – Dec. 2019	8	398	406
Jan. – Dec. 2020	78	713	791
Jan. – Dec. 2021	11	89	100

\* POI of original investigation

Source: PRAL

\*Note: For the purpose of confidentiality, actual figures have been indexed by taking total imports during the last year of POR as base.

#### 19.4 Domestic Industry's Capacity, Production, Sales and Inventories

Information on domestic industry's installed capacity, production, sales and inventories of the domestic like product for the POR and original POI is provided in the following table:

**Table- VII**  
**Capacity, Production, Sales, and Inventories (MT)**

Year	Installed Capacity	Production	Sales			Opening inventory	Closing Inventory
			Domestic	Exports	Total		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
*Jul 15 – Jun 16	73	68	64	3	67	1	3
Jan. – Dec. 2019	80	82	79	1	80	3	5
Jan. – Dec. 2020	80	63	67	0	67	5	1
Jan. – Dec. 2021	115	100	86	8	94	1	7

Sources: the Applicant \* Original POI

\*\*According to the audited financial statement of 2021, the commercial production from additional capacity of 100,000MT PVC-III plant started w.e.f. March 01, 2021.

\*\*\* Note: For the purpose of confidentiality, actual figures have been indexed by taking production during the last year of POR as base.

#### 19.5 Price, Cost to Make & Sell of the Domestic Like Product and Landed Cost of the Product under Review

Ex-factory price and cost to make and sell of the domestic like product and landed cost of the imported PVC Resin during the original POI and POR are provided in the following table:

**Table-VIII**  
**Price, Cost to Make & Sell and Landed Cost (Rs./MT)**

Year	Domestic like product's		Landed cost of the product under review	
	Cost to make & sell	Ex-factory Price	Without anti-dumping duty	With anti-dumping duty
(1)	(2)	(3)	(4)	(5)
*Jul 15 – Jun 16	46	43	40	-
Jan. – Dec. 2019	62	68	61	66
Jan. – Dec. 2020	61	78	62	74
Jan. – Dec. 2021	81	117	89	100

Sources: The Applicant and PRAL

\* Original POI

\*\*Note: For the purposes of confidentiality, actual figures have been indexed by taking landed cost of product under view with anti-dumping duties during last year of POR as base.

#### 19.6 Profits/Loss, Cash Flows and Return on Investment

Domestic industry's profits/(loss) of PVC Resin and cash flows and return on investment ("ROI") for entire operations of the Applicant for POR and original POI is provided in the following table:



**Table-IX**  
**Profit/(Loss), Cash Flows and ROI**

Year	Profit/(Loss) Rs. (millions)	Cash Flows Rs. (millions)	ROI (%)
(1)	(2)	(3)	(4)
*Jul 15 – Jun 16	-8	4	3
Jan. – Dec. 2019	20	53	20
Jan. – Dec. 2020	47	77	23
Jan. – Dec. 2021	133	100	46

Source: the Applicant \* Original POI

\*\* Note: For the purposes of confidentiality, actual figures have been indexed by taking cash flows during the last year of POR as base.

### 19.7 Employment, Productivity and Wages

Information on employment, productivity, and wages of the domestic industry during POR and original POI is provided in the following table:

**Table-X**  
**Employment, Wages and Productivity**

Year	Employees (Nos.)	Salaries & wages (Rs.000)	Productivity (MT)
(1)	(2)	(3)	(4)
*Jul 15 – Jun 16	76	33	90
Jan. – Dec. 2019	88	67	92
Jan. – Dec. 2020	99	73	63
Jan. – Dec. 2021	100	100	100

Source: the Applicant \* POI of original investigation

\*\*Note: For the purposes of confidentiality, actual figures have been indexed by taking figures of respective columns for the last year of POR as base.