

F. No. 6/01/2025-DGTR

Government of India

Ministry of Commerce and Industry

Directorate General of Trade Remedies

IV Floor, Jeevan Tara Building, 5 Parliament Street, New Delhi -110 001

Dated: 28.03.2025

**INITIATION NOTIFICATION**

**Case No. AD(OI)-01/2025**

**Subject: Initiation of anti-dumping investigation concerning imports of “Elastomeric Filament Yarns” originating in or exported from China PR and Vietnam.**

1. **F. No.6/01/2025-DGTR:** M/s Indorama India Private Limited (hereinafter also referred to as the “Petitioner” or “Applicant”) has filed an application before the Designated Authority (hereinafter also referred to as the Authority) in accordance with the Customs Tariff Act, 1975, as amended from time to time (hereinafter also referred to as the Act) and the 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 Rules) for imposition of Anti-dumping duty on imports of “**Elastomeric Filament Yarns**” (hereinafter referred to as the subject goods or PUC) from China PR, and Vietnam (hereinafter referred to as the subject countries).
2. The Applicant has alleged that dumped imports of the subject goods from subject countries is causing injury and has requested the imposition of anti-dumping duty on the imports of the subject goods from the subject countries.

**A. PRODUCT UNDER CONSIDERATION**

3. The product under consideration in the present application is

**“Elastomeric Filament Yarn of all deniers excluding the following:**

- a. Coloured Elastomeric Yarn except Black;
  - b. Elastomeric yarns on Beam;
  - c. Subject goods having brand name as "LYCRA®"
  - d. Elastomeric Filament Yarn meant for diapers
4. According to the Applicant, the subject goods having brand name as "LYCRA®" are excluded as the same is a specialized and fine quality product manufactured under process control conditions, which are patent protected. Even commercially, the price of Lycra is much higher as compared to the other brands of elastomeric filament yarns available in the market.
  5. In market parlance, the product is also known by various names, such as Spandex or Elastane. These are described in technical terms as segmented polyurethane composed of “soft”, or flexible, segments bonded together with “hard”, or rigid segments. This gives the fibre its built-in, lasting elasticity. It is an elastomeric fibre used widely as the minor component in stretch garments to provide stretch with recovery.
  6. Spandex yarn is mainly used to make such garments that require great comfort and fit. As such, they find applications in manufacturing of hosiery, swimsuits, aerobic or exercise wear,



ski pants, golf jackets, disposable diaper, waist bands, bra straps and bra side panels etc. They are even great for making shaped garments like bra cups. Spandex fabrics are also used to make compression garments, such as surgical hose, support hose, bicycle pants, foundation garments etc. Elastomeric Yarns are often blended with other fabrics, such as cotton, nylon and polyester to give a garment an additional level of comfort. Elastic properties of knitwear, namely stretch and recovery have a noticeable impact on comfort, adding flexibility and freedom of movement. Only a very small percentage of elastomeric yarn is used in the finished product, depending on its intended use. To improve elastic properties of cotton knitted fabrics, usually elastomeric yarn is fed into the fabric.

7. The subject products are classified under Chapter Heading 54 “Man-made filaments; strips and the like of man-made textile materials”. The classification at the 8-digit level is 54024400 and 54041100. It is also submitted that the customs classification is indicative only and in no way binding upon the product scope.
8. The Applicant has proposed the following PCNs in the present application. The parties to the present investigation may provide their comments on the product under consideration and following propose PCNs (with justification), if any, within 15 days of receiving intimation of the initiation of the investigation. Submissions made without justification will not be considered by the Authority.

S. No.	Type	Value	PCN Code
1	Cone	C	C
2	Denier Range (Illustrations given)	having denier upto 15	C00000015
3		having denier from 15 to 25	C00150025
4		having denier from 25 to 35	C00250035
5		having denier from 35 to 45	C00350045
6		having denier from 45 to 55	C00450055
7		having denier from 55 to 65	C00550065
8		having denier from 65 to 75	C00650075
9		having denier from 75 to 85 etc.	C00750085

#### **B. LIKE ARTICLE**

9. The applicant has claimed that the products produced by it are comparable in all material aspects, including the physical and chemical properties, applications and end uses, prices, etc. with the product under consideration imported from the subject countries. The customers use the products interchangeably.
10. Accordingly, it is noted that there are no known material differences in the article produced by the domestic industry and the product under consideration exported from the subject countries. The article produced by the domestic industry and the product under consideration imported from the subject countries are comparable in terms of physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The article manufactured by the domestic industry are technically and commercially substitutable with the product under consideration imported from the subject countries. Therefore, for the purpose of initiation of the present investigation, the article produced by the domestic industry has been considered as “like article” to the product under consideration being imported from the subject countries.



### **C. DOMESTIC INDUSTRY & STANDING**

11. Rule 2(b) defines domestic industry as follows:

*“domestic industry” means the domestic producers as a whole engaged in the manufacture of the like article and any activity connected therewith or those whose collective output of the said article constitutes a major proportion of the total domestic production of that article except when such producers are related to the exporters or importers of the alleged dumped article or are themselves importers thereof in such case the “domestic industry” may be construed as referring the rest of the producers.*

12. The application has been filed by M/s Indorama India Private Limited. The applicant has certified that it has not imported the product under consideration from the subject countries. Further, they are not related to any importer of the subject goods in India.
13. The applicant has also submitted that apart from them, there is only one other producer of the subject goods in India, namely Hyosung India Pvt. Ltd., who is related to exporters of the subject goods from both the subject countries and also importer of the subject goods. Therefore, it is ineligible producer in terms of Rule 2(b) for the purpose of this investigation. Thus, the Authority has considered the petitioner as Domestic Industry within the meaning of the Rule 2(b) of the Rules and the application satisfies the criteria of standing in terms of Rule 5(3) of the Rules.

### **D. SUBJECT COUNTRIES**

14. The subject countries for the present investigation are China PR and Vietnam.

### **E. PERIOD OF INVESTIGATION**

15. The applicant has proposed 1<sup>st</sup> October 2023 to 30<sup>th</sup> September 2024 (12 months) as the period of investigation (POI). The injury information has been provided for the period of investigation and three preceding years, that is, April 1, 2021, to March 31, 2022, April 1, 2022, to March 31, 2023, April 1, 2023, to March 31, 2024, and the POI.

### **F. DUMPING MARGIN COMPUTATION**

#### **I. Normal value for China PR**

16. The applicant has claimed that China PR should be treated as a non-market economy and that producers from China PR should be directed to demonstrate that market economy conditions prevail in the industry with regard to the production and sales of the subject goods. Unless the producers from China PR show that such market economy conditions prevail, their normal value should be determined in accordance with Para 7 of Annexure-I to the Rules.
17. The applicant has claimed that it did not have access to information with regard to prices or cost in an appropriate market economy third country, or price of exports from an appropriate market economy country to other countries. Accordingly, the applicant calculated the normal value for China PR based on the price payable in India, based on its cost of production duly adjusted for selling, general, and administrative expenses with reasonable profits.

## **II. Normal Value for Vietnam**

18. The applicant has claimed that it did not have access to any evidence of domestic selling price or information regarding actual cost of production of the producers in Vietnam. Thus, the applicant has calculated a normal value for Vietnam based on its cost of production duly adjusted for selling, general, and administrative expenses with reasonable profits.
19. For the purpose of the present initiation, the Authority has constructed the normal value for both of the subject countries.

## **III. Export Price**

20. The Authority has considered the CIF price of the subject goods for the determination of net export price (NEP). The Authority has thereafter made the necessary adjustments to these prices to arrive at the ex-factory price.

## **IV. Dumping Margin**

21. The normal value and the export price have been compared at the ex-factory level, which *prima facie* establishes that the dumping margin is above the de-minimis level and is significant with respect to the product under consideration from the subject countries. Thus, there is sufficient prima facie evidence that the product under consideration from the subject countries is being dumped in the domestic market of India by the exporters from the subject countries.

## **V. Allegation of Injury and Causal Link**

22. Information furnished by the applicant has been considered for assessment of injury to the domestic industry. The applicant has claimed that it has suffered material injury and there is a threat of further injury as a result of the dumped imports. The information concerning imports and economic parameters of the domestic industry over the injury period show that the imports have increased in absolute terms over the injury period and are significant in relation to the Indian production and consumption. As a result, the applicant has witnessed decline in profits, cash losses and a low return on its capital employed. There is sufficient prima facie evidence of injury being caused to the domestic industry by the dumped imports from the subject countries to justify the initiation of an anti-dumping investigation.

## **G. INITIATION OF THE INVESTIGATION**

23. On the basis of the duly substantiated application by the domestic industry, and having satisfied itself, on the basis of / prima facie evidence submitted by the applicant substantiating the dumping and consequent injury to the domestic industry, the Authority hereby initiates an anti-dumping investigation into the alleged dumping and consequent material injury to the domestic industry in accordance with Section 9A of the Act read with Rule 5 of the Rules, to determine the existence, degree, and effect of alleged dumping and to recommend the amount of dumping duty, which if levied would be adequate to remove the injury to the domestic industry.

## **H. SUBMISSION OF INFORMATION**

24. All communication should be sent to the Designated Authority via email at [consultant-dgtr@nic.in](mailto:consultant-dgtr@nic.in), [dir14-dgtr@gov.in](mailto:dir14-dgtr@gov.in) and [dd18-dgtr@gov.in](mailto:dd18-dgtr@gov.in) . It should be ensured that the



narrative part of the submission is in searchable PDF/ MS Word format and data files are in MS Excel format.

25. The known producers/exporters in the subject countries, the government of the subject countries through its embassies in India, and the importers and users in India who are known to be associated with the subject goods are being informed separately to enable them to file all the relevant information within the time limits mentioned in this initiation notification. All such information must be filed in the form and manner as prescribed by this initiation notification, the Rules, and the applicable trade notices issued by the Authority.
26. Any other interested party may also make a submission relevant to the present investigation in the form and manner as prescribed by this initiation notification, the Rules, and the applicable trade notices issued by the Authority within the time limits mentioned in this initiation notification.
27. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other interested parties.
28. Interested parties are further directed to regularly visit the official website of the Directorate General of Trade Remedies (<https://www.dgtr.gov.in/>) to stay updated and apprised with the information as well as further processes related to the investigation.

#### **I. TIME LIMIT**

29. Any information relating to the present investigation should be sent to the Designated Authority via email at [consultant-dgtr@nic.in](mailto:consultant-dgtr@nic.in), [dir14-dgtr@gov.in](mailto:dir14-dgtr@gov.in) and [dd18-dgtr@gov.in](mailto:dd18-dgtr@gov.in) within 30 days from the date of the receipt of the notice as per the Rule 6(4) of the Rules. 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 Rules.
30. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses within the above time limit as stipulated in this notification.
31. Where an interested party seeks additional time for filing of submissions, it must demonstrate sufficient cause for such extension in terms of Rule 6(4) of the Customs Tariff (Identification, Assessment and Collection of Antidumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 and such request must come within the time stipulated in this notification.

#### **J. SUBMISSION OF INFORMATION ON CONFIDENTIAL BASIS**

32. Where any party to the present investigation makes confidential submissions or provides information on a confidential basis before the Authority, such party is required to simultaneously submit a non-confidential version of such information in terms of Rule 7 of the Rules and in accordance with the relevant trade notices issued by the Authority in this regard.
33. Such submissions must be clearly marked as “confidential” or “non-confidential” at the top of each page. Any submission that has been made to the Authority without such markings shall be treated as “non- confidential” information by the Authority, and the Authority shall be at liberty to allow other interested parties to inspect such submissions.



34. The confidential version shall contain all information which is, by nature, confidential, and/or other information which the supplier of such information claims as confidential. For the information which is claimed to be confidential by nature, or the information on which confidentiality is claimed because of other reasons, 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.
35. The non-confidential version of the information filed by the interested parties should be a replica of the confidential version with the confidential information preferably indexed or blanked out (where indexation is not possible) and such information must be appropriately and adequately summarized depending upon the information on which confidentiality is claimed.
36. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on a confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons containing a sufficient and adequate explanation in terms of Rule 7 of the Rules, 1995, and appropriate trade notices issued by the Authority, as to why such summarization is not possible, must be provided to the satisfaction of the Authority.
37. The interested parties can offer their comments on the issues of confidentiality claimed by the domestic industry within 7 days from the date of circulation of the non-confidential version to the Authority via email which are mentioned at paragraph 24 of this initiation notification.
38. Any submission made without a meaningful non-confidential version thereof or a sufficient and adequate cause statement in terms of Rule 7 of the Rules, and appropriate trade notices issued by the Authority, on the confidentiality claim shall not be taken on record by the Authority.
39. 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 warranted or if 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.
40. The Authority, upon being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without the specific authorization of the party providing such information.
41. A list of registered interested parties will be uploaded on the DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions and other information to all other interested parties.

**K. INSPECTION OF PUBLIC FILE**

42. A list of registered interested parties will be uploaded on the DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions/response/information to all other interested parties. Failure to circulate the non-confidential version of the submission/response/information might lead to action under Section M of this Initiation Notification

**L. NON-COOPERATION**

43. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period or within the time stipulated by the Authority in this initiation notification or subsequently time period provided through separate communication, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings based on the facts available and make such recommendations to the Central Government as it deems fit.



**(Darpan Jain)**  
**Designated Authority**