ADC No. 39/2015/NTC/WR Government of Pakistan National Tariff Commission

Notice of Preliminary Determination in Anti-dumping Investigation against Dumped Imports of Wire Rod into Pakistan originating in and/or exported from the People's Republic of China

The National Tariff Commission (the "Commission") initiated an anti-dumping investigation on October 19, 2015, under Section 23 of the Anti-Dumping Duties Act, 2015 (the "Act") after establishing that the application lodged by M/s Agha Steel Industries, Karachi, M/s Abbas Steel Industries (Pvt.) Ltd., Karachi and M/s Abbas Engineering Industries Ltd., Karachi (the "Applicants"), on behalf of domestic industry producing Wire Rod was in accordance with Section 20 and 24 of the Act. The investigation concerns dumping of Wire Rod, originating in and/or exported from China into Pakistan and material injury caused therefrom to the domestic industry producing Wire Rod. In accordance with provisions of the Act, and Anti-Dumping Duties Rules, 2001 (the "Rules"), the Commission has, after investigation, determined the following on preliminary basis:

<u>Product under Investigation</u>: The product being dumped into Pakistan is Wire Rod of iron or non-alloy steel and other alloy steel having cross section diameter between 5.5mm to 14mm originating in and/or exported from China and is classified under Pakistan Customs Tariff Heading Nos. 7213.9190, 7213.9990 and 7227.9000 (the "investigated product").

<u>Period of Investigation (POI):</u> For determination of dumping and injury, the POI is fixed as follows:

For determination of dumping: From July 01, 2014 to June 30, 2015 For determination of injury: From July 01, 2012 to June 30, 2015

Exporters and Foreign Producers: The Applicants identified thirty four exporters/producers involved in the dumping of Wire Rod from China, however, three exporters/producers responded to the Commission's request for information/data for the purposes of this investigation.

<u>Determination of Dumping:</u> Individual dumping margins in this preliminary determination are determined for three exporters/producers of Wire Rod from China on the basis of the information provided by them.

<u>Injury to the domestic industry</u>: Injury to the domestic industry has been determined in accordance with Part VI of the Act. The Commission has on preliminary basis established that the domestic industry suffered material injury on account of significant increase in volume of dumped imports, significant price undercutting, significant price suppression, decline in market share, sales, production, profit, productivity, return on investment, capacity utilization, negative effects on inventories, employment and salaries & wages, cash flow and growth.

<u>Injury Factors other than Dumped Imports:</u> The Commission has also examined factors other than dumped imports under Section 18(2) and Section 18 (3) of the Act, which could at the same time cause injury to the domestic industry. Analysis showed that the domestic industry has not suffered material injury due to others factors.

Preliminary Determination: In reaching this preliminary determination, the Commission has determined that the Wire Rod has been imported from China at dumped prices. However, the Government of Pakistan vide SRO 236(I)/2016 dated March 21, 2016 imposed regulatory duty @30% on imports of Wire Rod.

The Commission has decided not to impose provisional antidumping duties in the presence of 30% regulatory duty besides customs duty of 10% and the investigation may continue till the final determination.

Hearing: Any party registered as an interested party in this case may, if it so wishes, request a hearing in accordance with Rule 14 of the Rules within 30 days of the publication of this notice by contacting Secretary, National Tariff Commission, State Life Building No.5, Blue Area, Islamabad. Telephone No. +92-51-9202839, Fax No.+92-51-9221205.

<u>Final Determination:</u> In terms of Section 39 of the Act, the Commission is required to make final determination within 180 days of publication of notice of Preliminary Determination.

<u>Authority under Law:</u> This notice is published pursuant to Section 37 of the Act by order of the Commission.

(Muhammad Shahid) Secretary April 14, 2016