

ADC No. 11/2006/NTC/CT
Government of Pakistan
National Tariff Commission

**Final Determination and Levy of Antidumping Duty on Dumped Import of
Wall and Floor Tiles, Originating in and/or Exported From the People's Republic of China**

National Tariff Commission (the "Commission") conducted an antidumping investigation on wall and floor tiles imported from People's Republic of China ("China") in the year 2006-2007 under Anti-Dumping Duties Ordinance 2000 (the "Ordinance") and Anti-Dumping Duties Rules 2001 (the "Rules"). The Commission initiated that investigation on March 27, 2006 made preliminary determination on November 28, 2006 and final determination on March 24, 2007 under the Ordinance.

Decisions of the Commission to initiate investigation, preliminary and final determinations in this case were challenged in Superior Courts. In a short order dated October 29, 2009, the Honorable Supreme Court of Pakistan directed the Commission to proceed afresh on its decisions of November 28, 2006 and March 24, 2007. Since then the Commission could not finalize this case as subsequent initiations and preliminary determination of the Commission were challenged in higher Courts in multiple rounds of litigations.

Product Under Investigation: Tiles, which includes ceramic, porcelain, vitrified, granite wall and floor tiles in glazed/unglazed, polished/unpolished finish, exported by the exporters from China were the product under investigation (the "investigated product"). It is classified under Pakistan Customs Tariff (PCT) Nos. 6907.1000, 6907.9000, 6908.1000 and 6908.9000. The Commission has determined that the investigated product and Tiles produced by the domestic industry are like products.

Period of Investigation ("POI"):

Investigation of dumping From January 1, 2005 to December 31, 2005
Investigation of injury From July 1, 2002 to December 31, 2005

Determination of Normal Value and Export Price: Normal value and the export price of the investigated product for the exporters from China who provided the requisite information and evidence have been determined in accordance with Part III and Part IV of the Ordinance. For the exporters who did not either respond to the Commission or did not provide the requisite information, normal value and export price have been determined on the basis of best available information pursuant to Section 32 of the Ordinance.

Dumping Margin: The dumping margins have been calculated in accordance with Section 12(1) of the Ordinance by comparing the weighted average normal value at ex-factory level with the weighted average of prices of all comparable export transactions at ex-factory level.

Injury to the Domestic Industry: Injury to the domestic industry has been determined in accordance with Part VI of the Ordinance. The Commission has established that the domestic industry suffered material injury during POI on account of significant increase in dumped imports in absolute as well as relative to the domestic production of Tiles, price undercutting; price depression, price suppression; negative effects on production and capacity utilization, loss in market share; negative effects on productivity, increase in inventories, decline in profit, decrease in return on investment in terms of Section 15 and 17 of the Ordinance. The Commission also examined factors other than dumped imports, which were causing injury to the domestic industry during the POI.

Conclusion of Afresh Proceedings: After original investigation the Commission imposed following anti-dumping duties for a period of five years with effect from November 30, 2006:

Exporter Name	Antidumping Duty Rate (%)
Junging	14.85
Nanghai	21.08
J&M	16.46
Guangzhou	23.65
All Others	23.65

Antidumping duties imposed on dumped imports of the investigated product remained in forced up till October 28, 2009. On October 29, 2009 the Supreme Court of Pakistan set a side orders of the Commission, therefore, antidumping duties imposed on dumped imports of the investigated product were suspended.

After investigation in this afresh proceedings the Commission has imposed definitive antidumping duties given in the above table on the dumped imports of the investigated product imported from China for a period of five years with effect from November 30, 2006. As the same rate of antidumping duties remained in-forced on imports of the

investigated product from November 30, 2006 to October 28, 2009, therefore, Commission has confirmed imposition and collection of antidumping duties for the period from November 30, 2006 to October 28, 2009 and has imposed antidumping duties for remaining period from October 29, 2009 to November 29, 2011.

The definitive antidumping duty rates are determined on C&F value in *ad val.* terms. Definitive antidumping duties at C&F value are equivalent to the final dumping margins determined at ex-factory price level. Tiles imported from sources, other than China shall not be subject to definitive antidumping duties. Definitive antidumping duties levied would be in addition to other taxes and duties leviable on import of the investigated product under any other law.

The Commission has imposed definitive antidumping duties in this case with effect from November 30, 2006 to November 29, 2011. The five-year period of duty has ended on November 30, 2011 in accordance with Section 58(1) of the Ordinance. Therefore, the Commission could not publish notice of impending expiry of antidumping duty under Section 58(2) of the Ordinance in this case, which leads that the domestic industry could not file an application for review under Section 58(3) of the Ordinance. However, if the domestic industry is still facing injury from the investigated product it can file a new application under the Ordinance.

Further Information: A non-confidential version of the detailed report on conclusion of afresh proceedings has been placed on public file established and maintained by the Commission for this investigation. The report has been also posted on the Commission's website: www.ntc.gov.pk. The public file shall be available to the interested parties, registered with the Commission for the purposes of this investigation, for review and copying at the offices of the Commission, from Monday to Thursday between 1100 hrs to 1300 hrs.

By order of the Commission.

(Muhammad Shahid)
Secretary
May 11, 2012