



**Government of Pakistan
National Tariff Commission**

REPORT

ON

**TERMINATION OF ANTI-DUMPING INVESTIGATION AGAINST ALLEGED DUMPED
IMPORTS OF POLYVINYL CHLORIDE (SUSPENSION GRADE) INTO PAKISTAN
ORIGINATING IN AND/OR EXPORTED FROM THE CHINESE TAIPEI (TAIWAN),
AND REPUBLIC OF KOREA.**

A.D.C No. 31/2013/NTC/PVC

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Termination Of Anti-Dumping Investigation Against Alleged dumped Imports Of Polyvinyl Chloride (Suspension Grade) Into Pakistan Originating In and/or Exported From the Chinese Taipei (Taiwan), and Republic of Korea.

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The National Tariff Commission (hereinafter referred to as the “Commission”) having regard to the Anti-Dumping Duties Ordinance, 2000 (LXV of 2000) (hereinafter referred to as the “Ordinance”) and the Anti-Dumping Duties Rules, 2001 (hereinafter referred to as the “Rules”) relating to investigation and determination of dumping of goods into the Islamic Republic of Pakistan (hereinafter referred to as “Pakistan”), material injury to the domestic industry caused by such imports, and imposition of antidumping duties to offset the impact of such injurious dumping, and to ensure fair competition thereof and to the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (hereinafter referred to as the “Agreement on Antidumping”).

2. The Commission is conducting this investigation on imports of Polyvinyl Chloride, Suspension Grade, (“PVC”) into Pakistan Originating in and/or Exported from the Chinese Taipei (“Taiwan”), and Republic of Korea (“Korea”) (the “Exporting Countries”) under the Ordinance and the Rules. The Commission has made determination in this investigation under Section 37 of the Ordinance. This report in this investigation has been issued in accordance with Article 12.2 of the Agreement on Antidumping.

3. In terms of Section 37 of the Ordinance, the Commission shall make a preliminary determination of dumping and injury, if any, not earlier than sixty days and not later than one hundred and eighty days, after initiation of an investigation. Such preliminary determination shall be based on the information available to the Commission at that time. This investigation was initiated on November 18, 2013. The determination is based on the information available to the Commission at this time.

A. PROCEDURE

4. The procedure set out below has been followed with regard to this investigation.

5. Receipt of Application

5.1 On September 20, 2013, the Commission received a written application under Section 20 of the Ordinance from Engro Polymers and Chemicals Limited., 16th Floor, The Harbour Front Building, HC-3, Marine Drive, Block 4, Clifton, Karachi (the “Applicant”). The Applicant has alleged that PVC originating in and/or exported from Korea, Taiwan and Thailand is being dumped into Pakistan, which has caused and is causing material injury to the domestic industry producing PVC. In terms of Rule 5 of the Antidumping Duties Rules, 2001, The Commission shall normally decide whether or not to initiate an investigation within a period of forty-five days of the date of receipt of an application compliant with the requirements of section 20 of the Ordinance, Provided that when such application involves complex issues, or if the Commission has sought additional information from the applicant, the time period may, if the Commission so deems fit, be extended to sixty days. On review of the application, certain deficiencies were found which were communicated to the applicant. Hence the Commission initiated the investigation on November 18, 2013.

5.2 The Commission informed the Embassies of said countries in Islamabad through note verbale dated September 27, 2013, of the receipt of application in accordance with the requirements of Section 21 of the Ordinance. During the scrutiny of the application and a result

of change of Period of Investigation (POI), it was found that dumping margin for the imports from Thailand was negligible as mentioned at Section 41 of the Ordinance. Hence the investigation was initiated against the Exporting Countries only.

5.3 The PVC is already subject to following antidumping measure in place.

Table-I
Antidumping duties in place

Exporter/Countries	Rates of Antidumping duties in Place	Date of imposition
Iran Petrochemical Commercial Company, Iran	31.06%	26-10-2004 (Extended w.e.f 26-10-2009)
LG International Corporation, Korea	40.18%	26-10-2004 (Extended w.e.f 26-10-2009)

6. Evaluation and Examination of the Application

6.1 Initially the examination of the application showed that it contains some deficiencies with respect to the data/information under section of the Ordinance. These deficiencies were communicated to applicant to provide additional data which is deficient. Accordingly applicant provided the additional data to complete the application. The revised application met the requirements of Section 20 of the Ordinance as it contained sufficient evidence of dumping of PVC into Pakistan from the Exporting Countries and material injury to the domestic industry caused therefrom. Requirements of Rule 3 of the Rules, which relate to the submission of information prescribed therein were also found to have been met.

7. The Domestic Industry

7.1 Section 2(d) of the Ordinance 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” shall 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;

- (i) one of them directly or indirectly controls the other;*
- (ii) both of them are directly or indirectly controlled by the same third person; or*
- (iii) 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 later”.

7.2 The domestic industry of PVC comprises of only one unit, Engro Polymers and Chemicals Limited (“Applicant”)

7.3 Engro Polymers and Chemicals Limited were incorporated under the Companies Ordinance, 1984, as a public limited company on 20 October 1997 and is the only fully integrated chlor-vinyl chemical complex in Pakistan. The Applicant is engaged in the manufacturing, marketing and distribution of PVC and chlor-vinyl allied products. The applicant is neither related to importers or exporters nor did it import PVC itself during the period of investigation. Therefore, Applicant is eligible to file an application of anti-dumping duties.

8. Standing of the Application

8.1 In terms of Section 24(1) of the Ordinance,

“.... 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.”

Furthermore, Section 24(2) of the Ordinance 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 the domestic like product produced by the domestic industry.”

8.2 As stated above (paragraph 7.2 supra) the domestic industry of PVC comprises of the only one unit i.e. the Applicant. The application has been filed by the Applicant, who is the only producer of the domestic like product. The Applicant produced **** MT of PVC during October 2012 to September 2013. On the basis of this, it is determined that the application is made by or on behalf of domestic industry as it fulfills the requirements of Section 24 of the Ordinance

9. Applicant’s Views

The Applicant, *inter alia*, raised the following issues in application regarding alleged dumping of PVC and material injury to the domestic industry caused therefrom:

- i. PVC imported from Exporting Countries into Pakistan and PVC produced in Pakistan by the domestic industry is like product;
- ii. Exporters/producers from Exporting Countries are exporting PVC to Pakistan at dumped prices; and

- iii. Exports of PVC by the exporters/producers from Exporting Countries to Pakistan at dumped prices has caused and is causing material injury to the domestic industry producing PVC mainly through:
 - a. Volume of dumped imports
 - b. Price Undercutting;
 - c. Price Depression;
 - d. Price Suppression;
 - e. Capacity Utilization;
 - f. Profitability and Return on Investment;
 - g. Market Share;
 - h. Productivity;
 - i. Ability to Raise Investment;
 - j. Cash Flow;
 - k. Salaries and Wages;
 - l. Growth; and
 - m. Magnitude of Dumping Margin

10. Exporters/Foreign Producers of PVC

There were 11 exporters/foreign producers involved in alleged dumping of the investigated product from the Exporting Countries. The Applicant has provided contact addresses of 10 exporters/ foreign producers. List of exporters/producers, identified by the Applicant is placed at Annex-I. The Applicant has stated that there may be other producers and exporters of the investigated product, which are not known to it. Therefore, the Applicant has requested for imposition of antidumping duty on all imports of the investigated product originating in and/or exported from the Exporting Countries in addition to imposition of anti-dumping duty on identified exporters/ foreign producers.

11. Initiation of Investigation

11.1 The Commission, in accordance with Section 23 of the Ordinance examined the accuracy and adequacy of the evidence provided in application, and established that there was sufficient evidence of alleged dumping of PVC into Pakistan from the Exporting Countries and consequent material injury to the domestic industry. Thus initiation of the investigation was justified. Consequently, the Commission issued a notice of initiation in accordance with Section 27 of the Ordinance, which was published in the Official Gazette¹ of Pakistan and in two widely circulated national newspapers² (one in English language and one in Urdu Language) on November 18,

¹ The official Gazette of Pakistan (Extraordinary) dated November 18, 2013.

² The 'Daily Express' and the 'Daily DAWN' of November 18, 2013 issue.

³ PCT heading in Pakistan is equivalent to Harmonized Commodity Description and Coding System up to six-digit level.

2013. Investigation concerning alleged dumped imports of PVC into Pakistan {classified under PCT No³. 3904.1090 contained in the First Schedule of Customs Act, 1969 (IV of 1969)} originating in and/or exported from the Exporting Countries was thus initiated on November 18, 2013.

11.2 In pursuance of Section 27 of the Ordinance, the Commission notified Embassies of Exporting Countries in Islamabad of the initiation of investigation (by sending a copy of the notice of initiation) on November 19, 2013 with a request to forward it to all exporters/foreign producers involved in production, sales and export of PVC from the Exporting Countries. Copy of the notice of initiation was also sent to known exporters/foreign producers of PVC from the Exporting Countries whose addresses were available with the Commission. Copies of the notice of initiation were also sent to known Pakistani importers and the Applicant on November 19, 2013.

11.3 In accordance with Section 28 of the Ordinance, on November 26, 2013 the Commission sent copy of full text of the written application (non-confidential version) and Exporter's Questionnaire to known exporters/producers of Exporting Countries, on available addresses. On November 26, 2013, copy of the full text of the written application along with Exporter Questionnaire was also sent to Embassies of the Exporting Countries in Pakistan with a request to forward it to all exporters/producers involved in production and/or sale/export of PVC from the Exporting Countries. The Importer's Questionnaire was also sent to the importers of PVC on November 26, 2013.

12. Investigated Product, Domestic Like Product and Like Product

12.1 Section 2 of the Ordinance defines investigated product, domestic like product and like product as follows:

- i. **Investigated Product:**
"a product, which is subject to an antidumping investigation as described in the notice of initiation of the investigation".
- ii. **Domestic Like Product:**
"the domestically produced product, which is a like product to an investigated product".
- iii. **Like Product:**
"a product which is alike in all respects to an investigated product or, in the absence of such a product, another product which, although not alike in all respects, has characteristics closely resembling those of the investigated product".

12.2 For the purposes of this investigation and given the definitions set out above, investigated product, domestic like product and like product are identified as follows:

12.2.1 Investigated Product:

12.2.1.1 The investigated product is Polyvinyl Chloride, suspension grade (“PVC”) specification imported from the Exporting Countries. It is classified under PCT Heading No. 3904.1090. The investigated product can be clear or colored, rigid or flexible, depending on the added compounds and final application that needs to be achieved.

12.2.1.2 The primary use of Investigated product is in manufacturing of Pipes & Fittings, Garden Hose, Shoes, Cable, Films & Sheets, Compounding, Packaging, etc.

12.2.2 Domestic Like Product

12.2.2.1 The domestic like product is Polyvinyl Chloride, suspension grade (“PVC”) manufactured by the domestic industry. It is classified under PCT Heading No. 3904.1090. The domestic like product can be clear or colored, rigid or flexible, depending on the added compounds and final application that needs to be achieved.

12.2.2.2 Domestic like product is mainly used in manufacturing of Pipes & Fittings, Garden Hose, Shoes, Cable, Films & Sheets, Compounding, Packaging, etc.

12.2.3 Like Product:

12.2.3.1 PVC produced by the domestic industry and imported from the Exporting Countries is comparable in terms of physical and chemical characteristics, raw materials, product specifications, chemical formulation, end uses and tariff classification of the goods etc. Investigated product and domestic like product are technically and commercially substitutable. Domestically produced PVC and imported PVC are classified under the same PCT/HS heading No. 3904.1090.

12.4 In light of the above, the Commission has determined that the investigated product and the domestic like product are alike products.

13. Period of Investigation

13.1 In terms of Section 36 of the Ordinance, Period of Investigation (hereinafter referred to as “POI”) is:

- i. *“for the purposes of an investigation of dumping, an investigation period shall normally cover twelve months preceding the month of initiation of the investigation for which data is available and in no case the investigation period shall be shorter than six months.”*
- ii. *“for the purposes of an investigation of injury, the investigation period shall normally cover thirty-six months:*

“Provided that the Commission may at its sole discretion, select a shorter or longer period if it deems it appropriate in view of the available information regarding domestic industry and an investigated product”.

13.2 The Commission received the application on September 20, 2013 and initiated the investigation on November 18, 2013. The POI selected for determination of dumping and injury respectively is as follows:

For dumping:	From October 1, 2012 to September 30, 2013
For injury:	From October 1, 2010 to September 30, 2013

14. Information/Data Gathering

14.1 The Commission sent Exporter’s Questionnaire to the known exporters/foreign producers of Exporting Countries, on available addresses, on November 26, 2013 for collection of data and information. The exporters/foreign producers were asked to respond within 37 days of dispatch of the Questionnaire. On November 26, 2013 copy of the Questionnaire was also sent to the Embassies of Exporting Countries in Islamabad with a request to forward it to the exporters/foreign producers, whose addresses were not available with Commission and all other exporters/foreign producers of the investigated/like product in Exporting Countries.

14.3 The Commission sent letter to the Embassies of Exporting Countries and known exporters/foreign producers on January 10, 2014, stating that so far no response has been received from producers/exporters on the Exporter’s Questionnaire and therefore the producers/exporters may be advised to submit the data on prescribed questionnaire otherwise the Commission would be constrained to make determination of dumping in this investigation on the basis of best information available including those contained in the application submitted by the domestic industry, in terms of Section 32 of the Ordinance.

14.4 However, the Commission has not received any response to these letters from any exporter from the Exporting Countries except from an exporter from Korea stating that he has not exported the investigated product to Pakistan during the POI, however he did not provide any other information.

14.5 On November 26, 2013 Questionnaires were sent to 6 Pakistani importers of the investigated product known to the Commission and these importers were asked to respond within 37 days of dispatch of the Questionnaires. No importer submitted any data/information on prescribed questionnaire.

14.6 The Commission has access to database of import statistics of Pakistan Revenue Automation Limited (“PRAL”), the data processing arm of the Federal Board of Revenue, Government of Pakistan. For the purpose of this determination the Commission has used import data obtained from PRAL in addition to the information provided by the Applicant.

14.7 Interested parties were also invited to make their views/comments and submit information (if any) relevant to this investigation within 45 days of initiation of investigation. The comments made by interested parties are placed at Annex-II.

14.8 Thus, the Commission has sought from all available sources the relevant data and information deemed necessary for the purposes of determination of dumping and injury therefrom in this investigation

15. Verification of the Information

15.1 In terms of Sections 32(4) and 35 of the Ordinance and Rule 12 of the Rules, during the course of an investigation, the Commission shall satisfy itself as to the accuracy of the information and for this purpose verify the information supplied by the interested parties. Accordingly the Commission has satisfied itself to the accuracy and adequacy of information supplied by the interested parties to the extent possible for the purposes of this determination.

15.2 In order to verify information/data provided by the Applicant and to obtain further information (if any), officers of the Commission conducted on-the-spot investigation at the office and plant of the Applicant from February 12-14, 2014.

16. Public File

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

17. Confidentiality

17.1 In terms of Section 31 of the Ordinance, 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 parties to an investigation, upon good cause shown to be kept confidential.

17.2 The Applicant has requested to keep confidential the information, which is by nature confidential in terms of Section 31 of the Ordinance. This information includes data relating to sales, sale prices, cost to make and sell, inventories, production, profit/(loss), return on investment, cash flow, growth, investment, salaries & wages, number of employees and capacity.

17.3 On the basis of request made by the Applicant, the Commission has determined the confidentiality in light of Section 31 of the Ordinance 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 interested parties providing such information. Therefore, the Commission kept all such information confidential for which the

Applicant made a request to keep it confidential.

17.4 However, in terms of Sub-Section (5) of Section 31, non-confidential summaries of all confidential information, which provides reasonable understanding of the substance, have been placed in public file.

18. Views/Comments of Interested Parties

18.1 The Commission received comments from All Pakistan Pipe Manufacturers Association on the application from any interested party (Annex-II).

B. DUMPING

19. Dumping

In terms of Section 4 of the Ordinance dumping is defined as follows:

“an investigated product shall be considered to be dumped if it is introduced into the commerce of Pakistan at a price which is less than its normal value”.

20. Determination of Dumping

20.1 As stated earlier the Applicant identified 12 exporters/foreign producers from the Exporting Countries involved in alleged dumping of the investigated product. The Commission sent questionnaire to the only eleven exporters/foreign producers whose address was available with it to gather information necessary for this investigation. For all other exporters/foreign producers Questionnaire were sent to Embassies of the Exporting Countries in Islamabad with a request to forward it to all exporters/foreign producers of the investigated product based in Exporting Countries to submit information to the Commission. However, no response was received from any exporter/foreign producer of PVC from the Exporting Countries.

21. Normal Value

21.1 In terms of Section 5 of the Ordinance “normal value” is defined as follows:

“a comparable price paid or payable, in the ordinary course of trade, for sales of a like product when destined for consumption in an exporting country”.

21.2 Further, Section 6 of the Ordinance states:

“(1) when there are no sales of like product in the ordinary course of trade in domestic market of an exporting country, or when such sales do not permit a proper comparison because of any particular market situation or low volume of the sales in the domestic market of the exporting country, the Commission shall establish normal value of an investigated product on the basis of either:

“a) the comparable price of the like product when exported to an appropriate third country provided that this price is representative; or

“b) the cost of production in the exporting country plus a reasonable amount for administrative, selling and general costs and for profits.

“(2) Sales of a like product destined for consumption in domestic market of an exporting country or sales to an appropriate third country may be considered to be a sufficient quantity for the determination of normal value if such sales constitute five per cent or more of the sales of an investigated product to Pakistan:”.

21.3 Ordinary course of trade is defined in Section 7 of the Ordinance as follows:

“(1) The Commission may treat sales of a like product in domestic market of an exporting country or sales to a third country at prices below per unit, fixed and variable, cost of production plus administrative, selling and other costs as not being in the ordinary course of trade by reason of price and may disregard such sales in determining normal value only if the Commission determines that such sales were made –

“(a) within an extended period of time which shall normally be a period of one year and in no case less than a period of six months;

“(b) in substantial quantities; and

“(c) at prices which do not provide for the recovery of all costs within a reasonable period of time.

“(2) For the purposes of sub-clause (b) of sub-section (1), sales below per unit cost shall be deemed to be in substantial quantities if the Commission establishes that –

“(a) a weighted average selling price of transactions under consideration for the determination of normal value is below a weighted average cost; or

“(b) the volume of sales below per unit cost represents twenty per cent or more of the volume sold in transactions under consideration for the determination of normal value.

“(3) If prices which are below per unit cost at the time of sale are above the weighted average cost for the period of investigation, the Commission shall consider such prices as providing for recovery of costs within a reasonable period of time.”

21.4. In case there is no cooperation from the exporter/foreign producer, the Commission may rely on best information available to reach preliminary or final determinations as in terms of Section 32 of the Ordinance. Section 32 of the Ordinance states:

(1) Subject to Sub-section (2), if, at any time during an investigation, any interested party

(a) refuses access to or otherwise does not provide, necessary information within the period of times as may be prescribed; or

(b) otherwise significantly impedes the investigation.

The Commission may reach preliminary and final determinations, whether affirmative or negative, on the basis of the best information available.

(2) The provisions of the Schedule to this Ordinance shall be followed in the application of sub-section (1).

(3) The Commission shall take due account of any difficulties experienced by interested parties, in particular, small companies, in supplying information requested by it and may, where it deems fit, provide such assistance as is practicable including, but not limited to, extension of any time period prescribed submission of information under this Ordinance.

(4) The Commission shall satisfy itself of the accuracy of the information supplied by interested parties during the course of an investigation in such manner as may be prescribed.

21.5 Determination of Normal Value

21.5.1 To collect information on the normal value, the Commission sent questionnaire to known producers/exporters of the Exporting Countries and the Embassies of the Exporting Countries in Islamabad on November 26, 2013 as mentioned earlier in Para 14 supra. However, no response on the exporter's questionnaire has been received from any exporter from the Exporting Countries. Therefore, the Commission has relied for determination of normal value on the basis of best available information in terms of Section 32 of the Ordinance.

21.5.2 The Commission has based normal values for the Exporting Countries on the basis of provided by the Applicant. For the purpose of normal value, the Applicant has relied on the normal value on the basis of a journal "*IHS Chemical Market Advisory Service*" IHS Chemical Market Advisory Services (formerly CMAI Market Advisory Services) provides regional and global market advisory services that deliver a comprehensive view of world markets for plastics and polymers. The journal publishes weekly and monthly reports delivering critical market insight and price forecasts for global polyethylene, polypropylene, PVC, polystyrene, EPS and PVC markets of Asia, Middle East, India and Europe Plastics & Polymers. Respective normal value, based on cash date, has been taken for the months for which there were export sales from the Exporting Countries. The prices obtained from IHS shows prices at C & F level. These prices have been adjusted to reach at ex-factory level by deducting inland freight and taxes. Inland Freight and Insurance figures have been taken to be 1% of the gross normal value and VAT in Taiwan and Korea is 5% and 10% respectively. The calculation of normal value has been placed at Annex-III.

22. Determination of Export Price

22.1 The "export price" is defined in Section 10 of the Ordinance as "*a price actually paid or payable for an investigated product when sold for export from an exporting country to Pakistan*".

22.2 The weighted average export price of PVC imported from Exporting Countries has been calculated on the basis of customs import data available with PRAL.

22.3 Export price has been calculated on the basis of information/data obtained from Pakistan Revenue Automation Limited (“PRAL”). The data obtained from PRAL shows prices at C & F level. These prices have been adjusted to reach at ex-factory level by deducting ocean freight, insurance charges and inland freight. Cost of ocean freight has been calculated on the basis of quotation obtained from a shipping line. Calculation of export price has been placed at Annex-IV.

23. Dumping Margin

23.1 The Ordinance defines “dumping margin” in relation to a product to mean “*the amount by which its normal value exceeds its export price*”. In terms of Section 14(1) of the Ordinance the Commission shall determine an individual dumping margin for each known exporter or producer of an investigated product.

23.2 Section 12 of the Ordinance provides three methods for fair comparison of normal value and export price in order to establish dumping margin. The Commission has established dumping margin by comparing normal value constructed on the basis of best available information with weighted average export price at ex-factory level.

23.3 The Commission has also complied with the requirements of Section 11 of the Ordinance which states that “*the Commission shall, where possible, compare export price and normal value with the same characteristics in terms of level of trade, time of sale, quantities, taxes, physical characteristics, conditions and terms of sale and delivery at the same place*”.

23.4 Taking into account the requirements of Section 11 of the Ordinance, dumping margin is calculated by comparing ex-factory normal value and export prices on a transaction-to-transaction basis. Normal value, export price and the dumping margin from each dumped source are shown below:

Table-II
Dumping Margins for Exporting Countries

Exporting Countries	Dumping Margin in	
	% age of export price	%age on C&F price
Taiwan	1.46	1.35
Korea	13.65	12.13

24. De minimis Dumping Margins and Negligible Volume of Dumped Imports

24.1 In terms of Section 41(2) of the Ordinance “*an investigation shall be immediately terminated if Commission determines that the dumping margin is negligible or that volume of dumped imports, actual or potential, or injury is negligible.*”

24.2 Section 41(3) states that the dumping margin shall be considered to be negligible if it is less than two percent, expressed as a percentage of the export price. Dumping margins for the

alleged dumped imports of the investigated product, set out in paragraph 23.4 supra, is less than negligible (*de minimis*) level in respect of Taiwan. Therefore, the Commission has determined imports from Taiwan as non-dumped imports.

24.3 As regards the volume of dumped imports, Section 41(3) of the Ordinance provides that the volume of such imports shall normally be regarded as negligible if the volume of dumped imports of an investigated product is found to account for less than three percent of total imports of a like product unless imports of the investigated product from all countries under investigation which individually account for less than three percent of the total imports of a like product collectively account for more than seven per cent of the imports of like product. The information/data on alleged dumped imports of the investigated product and other imports of PVC has been obtained from PRAL. Volume of alleged dumped imports of the investigated product and the PVC imported from other sources during the POI (October 1, 2012 to September 30, 2013) is given in a table below:

Table-III
Volume of Imports of PVC during POI

Country	Volume of Imports in:
	Percentage
Korea	11.32
Other Sources	88.68
Total	100.00

Source: PRAL

To keep confidentiality, the absolute figures have been indexed w.r.t domestic imports during POI as 100.

24.3 On the basis of above information, the Commission has determined that the volume of dumped imports of the investigated product from Korea was well above the negligible threshold (less than three percent of volume of total imports of the like product) during POI.

C. INJURY TO DOMESTIC INDUSTRY

25. Determination of Injury

25.1 Section 15 of the Ordinance sets out the principles for determination of material injury to the domestic industry in the following words:

“A determination of injury shall be based on an objective examination of all relevant factors by the Commission which may include but shall not be limited to:

“a. volume of dumped imports;

“b. effect of dumped imports on prices in domestic market for like products; and

“c. consequent impact of dumped imports on domestic producers of such products...”

25.2 Section 15 of the Ordinance further provides that:

“ No one or several of the factors identified shall be deemed to necessarily give decisive guidance and the Commission may take into account such other factors as it considers relevant for the determination of injury”.

25.3 The Commission has taken into account all factors in order to determine whether domestic industry suffered material injury during POI. Material injury to the domestic industry has been analyzed in the following paragraphs in accordance with Part VI of the Ordinance.

26. Domestic Industry

For the purposes of this determination, the Commission has determined that domestic industry manufacturing domestic like product consists of only one unit i.e. the Applicant. Therefore, analysis of the injury factors given in following paragraphs is based on Applicant's information.

27 Volume of Dumped Imports

Facts

27.1 With regard to the volume of dumped imports, in terms of Section 15(2) of the Ordinance, the Commission considered whether there has been a significant increase in dumped imports, either in absolute terms or relative to the domestic production or consumption of the domestic like product manufactured by the domestic industry during POI. The following table shows imports of the investigated product during the period October 1, 2010 to September 30, 2013 (POI for injury):

Table-IV
Imports of PVC (MT)

Period	Absolute Volume of Imports (MT)		Total Imports (MT)
	Investigated Product	Other Imports	
2010 – 2011	6.80	93.20	100.00
2011 – 2012	15.45	393.95	409.43
2012 – 2013	22.32	174.93	197.26

Source: PRAL

To keep confidentiality, the absolute figures have been indexed w.r.t figures of total imports during 2010-11 as 100

Analysis:

27.2 The above table reveals that the volume of dumped imports of the Investigated Product increased by in absolute terms by 127% during 2011-2012 as compared to the corresponding period of 2010-11. This was primarily due to expansion in the size of domestic market. Dumped

imports increased from 411 MT to 594 MT during 2012-13. Dumped imports which constituted 3.77% of the total imports during 2011-12 increased to 11.32% during POI for dumping.

Table-V
Imports of PVC relative to domestic production (MT)

Period	Dumped Imports	Production by domestic industry	Dumped imports as %age of domestic production
2010 – 2011	0.15	100.00	0.15%
2011 – 2012	0.35	125.71	0.28%
2012 – 2013	0.51	124.42	0.41%

Source: PRAL and domestic Industry

To keep confidentiality, the absolute figures have been indexed w.r.t domestic production during 2010-11 as 100

27.3 It is evident from the table above that dumped imports increased as percentage of domestic production during the year 2011-12 to 0.28 percent and further increased to 0.41 percent during the POI for dumping.

Table-VI
Imports of PVC relative to domestic consumption (MT)

Period	Dumped Imports	Total consumption	Dumped imports as % age of domestic consumption
2010 – 2011	0.17	100.00	0.17%
2011 – 2012	0.38	130.90	0.29%
2012 – 2013	0.55	133.11	0.41%

Source: PRAL and domestic Industry

To keep confidentiality, the absolute figures have been indexed w.r.t domestic consumption during 2010-11 as 100

27.4 It is evident from the table above that dumped imports increased as percentage of domestic consumption during the year 2011-12 and further increased to 0.41 percent increased during the POI for dumping.

Conclusion:

27.5 On the basis of the above information and analysis, the Commission has concluded that the dumped imports increased in absolute terms as well as relative to the domestic production and relative to domestic consumption of the domestic like product during POI.

28. Price Effects

28.1 Effect of dumped imports on sales price of domestic like product in the domestic market has been examined to establish whether there was significant price undercutting (the extent to which the price of the investigated product was lower than the price of the domestic like product), price depression (the extent to which the domestic industry experienced a decrease in

its selling prices of domestic like product over time), or price suppression (the extent to which increased cost of production could not be recovered by way of increase in selling price of the domestic like product). Effects of dumped imports on price of the domestic like product are analyzed in following paragraphs:-

28.2 **Price undercutting**

Facts

28.2.1 Weighted average ex-factory price of the domestic like product has been calculated from the information submitted by the Applicant on quantity and value of sales during POI. Landed cost of the investigated/dumped product has been calculated from the information obtained from PRAL. Comparison of weighted average ex-factory price of the domestic like product with the weighted average landed cost of the investigated product during POI is given in following table:

Table-VII
Calculation of Price Undercutting (Rs./MT)

Year	Average ex- factory price of domestic like product	Average landed cost of dumped imports	Price undercutting	
			Absolute	Percentage (%)
2010 – 2011	100.00	122.86	---	---
2011 – 2012	95.52	101.07	---	---
2012 – 2013	108.70	113.56	---	---

Source: PRAL and the Applicant

Note: To keep confidentially, actual figures have been indexed w.r.t figures of Average ex- factory price of domestic like product of year 2010-11 by taking it equal to 100

Analysis

28.2.2 Above table shows that the domestic industry was facing price undercutting during 2011-2012 however it did not face price undercutting during POI for dumping.

Conclusion

28.2.3 On the basis of the above facts and analysis, the Commission has concluded that the domestic industry did not suffer on account of price undercutting during POI.

28.3 **Price Depression**

Facts

28.3.1 Applicant's prices of the domestic like product during the last three years are given in table below

Table - VIII
Calculation of Price Depression (Rs./MT)

Year/Period	Average ex- factory price of domestic like product	Price Depression	
		Absolute	Percentage (%)
2010 – 2011	100.0	-	-
2011 – 2012	95.5	4.48	4.48
2012 – 2013	108.7	-	-

Source: The Applicant

Note: To keep confidentially, actual figures have been indexed w.r.t figures of Average ex- factory price of domestic like product of year 2010-11 by taking it equal to 100

Analysis

28.3.2 Above tables shows that the Applicant increased price of the domestic like product during the POI for dumping.

Conclusion

28.3.3 The Commission has concluded on the basis of the above information and analysis that there was no price depression during POI for dumping.

28.4 Price Suppression

Facts

28.4.1 Weighted average cost to make and sell and ex-factory prices of the domestic like product for the POI, calculated on the basis of information provided by the Applicant, are given in the following table:

Table - IX
Cost to Make and Sell and Ex-factory Price of the Domestic Like Product (Rs./MT)

Year	Average cost of production of domestic like product	Average ex-factory price of domestic like product	Price Suppression		
			Increase/(decrease) in cost of production	Increase/(decrease) in price	Price suppression
2010 – 2011	100.00	93.63	0.00	0.00	-
2011 – 2012	96.36	89.43	-3.64	-4.19	-
2012 – 2013	105.08	101.77	8.72	12.34	-

Source: The Applicant

Note: To keep confidentially, actual figures have been indexed w.r.t figures of average cost of production of domestic like product of year 2010-11 by taking it equal to 100

Analysis

28.4.2 The above data reveals the domestic industry was able to increase its ex-factory sales price as compared to increase in the cost of production and there was no price suppression during the POI;

Conclusion

28.4.3 On the basis of the above information and analysis, the Commission has concluded that the domestic industry has not suffered material injury on account of price suppression during POI for dumping.

29. Effects on Market Share**Facts**

29.1 The total domestic demand of PVC in Pakistan is met through local production and imports. Following table shows the market share from imports and domestic production during the POI.

Table – X
Market Share (MT)

Period	Share of Local Industry	Share of Imports from Exporting Countries	Share of Imports from Other Sources	Total Domestic Market
2010 – 2011	97.54	0.17	2.29	100.00
2011 – 2012	120.84	0.38	9.68	130.90
2012 – 2013	128.26	0.55	4.30	133.11

Source: PRAL and the Applicant

Note: To keep confidentially, actual figures have been indexed w.r.t figures of total domestic market of year 2010-11 by taking it equal to 100

Analysis

29.2 The above table reveals that total domestic market of the PVC increased during last three years. The total market size expanded to **** MT in 2013 from **** MT in 2010, showing an increase of 33%. The share of the domestic industry decreased in 2011-12 as compared to 2010-11 while in the same period the total domestic market increased by 31%, which shows that the increased size of market was captured primarily by the domestic industry and import from other sources. Share of the domestic industry in total market increased in year 2012-13.

Conclusion

29.3 On the basis of above information and analysis, the Commission has concluded that the domestic industry did not suffer material injury on account of loss of market share.

30. Effects on Sales

Facts

30.1 Sales of the domestic like product are given in the following table:

**Table – XI
Sales of the PVC (MT)**

Year	Sales by domestic industry
2010 – 2011	100.00
2011 – 2012	123.88
2012 – 2013	131.49

Source: The Applicant

Note: To keep confidentially, actual figures have been indexed w.r.t figures of sales of year 2010-11 by taking it equal to 100

Analysis

30.2 The above table shows that the sales of domestic industry increased by **** MT (24 percent) in the year 2011-12 and **** MT (31.52 percent) in the year 2012-13 as compared to base year of 2010-11.

Conclusion

30.3 On the basis of above information and analysis, the Commission has concluded that sales of the domestic like product increased during POI, hence domestic industry did not suffer material injury on account of loss in sales.

31. Effects on Production and Capacity Utilization

Facts

31.1 Quantity produced and the capacity utilized by the domestic industry during POI was as follows:

**Table-XII
Installed Capacity, Quantity Produced and Capacity Utilization**

Period	Applicant's Installed Capacity (MT)	Production of the Domestic Like Product (MT)	Applicant's Capacity Utilization (%)
2010 – 2011	100	77.85	77.9%
2011 – 2012	100	97.87	97.9%
2012 – 2013	100.5*	96.86	96.4%

Source: The Applicant

Note: To keep confidentially, actual figures have been indexed w.r.t figures of installed capacity of year 2010-11 by taking it equal to 100

* the Applicant enhanced its capacity through de-bottlenecking w.e.f. mid-August 2013 onwards, and its effective installed capacity presently stands at 156,000 MT.

Analysis

31.2 The above table shows that the production of domestic like product increased in the year 2011-12, however it decreased slightly in 2011-12;

Conclusion

31.3 On the basis of the above information and analysis, the Commission has concluded that the Applicant did not suffer material injury on account of production and capacity utilization.

32. Effects on Inventories

Facts

32.1 The Applicant provided data relating to its inventories of the domestic like product during POI. Data for opening and closing inventories for the domestic like product of the POI is given in the following table:

Table-XIII
Inventories of Domestic Like Product (MT)

Year	Opening inventory	Production	Sales		Closing inventory
			Local	Export	
2010 – 2011	6.97	100.00	90.42	10.10	6.45
2011 – 2012	6.45	125.71	112.01	16.51	3.64
2012 – 2013	3.66	124.42	118.90	4.98	4.19

Source: The Applicant

Note: To keep confidentially, actual figures have been indexed w.r.t figures of production of year 2010-11 by taking it equal to 100

Analysis

32.2 The data given in the table above shows that the closing inventory level of the domestic like product decreased over time.

Conclusion

32.3 On the basis of the above facts and analysis, the Commission has concluded that the Applicant did not suffer material injury on account of increase in inventories of the domestic like product during POI.

33. Effects on Profits/Loss

Facts

33.1 Profit and loss position of the Applicant is given below in table during the POI:

Table -XIV
Profit/(Loss) of the Applicant (Rs/Thousands)

Year	Net Profit/(Loss)
2010-11	(100.00)
2011-12	(134.62)
2012-13	(68.29)

Source: The Applicant

Note: To keep confidentially, actual figures have been indexed w.r.t figures of profit/(loss) of year 2010-11 by taking it equal to 100

Analysis

33.2 The above table shows that the Applicant's net loss increased in 2011-12. However, In 2012-13, the loss decreased as compared to 2011-12 and even as compared to the base year i.e. 2010-11.

Conclusion:

33.3 On the basis of the above facts, the Commission has concluded that the domestic industry did not suffer material injury on account of decline in profit.

34. Effects on Cash Flow

Facts

34.1 The Applicant is manufacturing caustic soda and chlorine in the chlor-alkali plant. The Applicant also sells intermediate product, vinyl chloride monomer (VCM). It is not possible to calculate cash flows for each product. Therefore, the Applicant has consolidated cash flow statement. Following are the verified figures of net operating cash flow relating to Applicant:

Table -XV
Cash generated from operations (Rs. Thousands)

Year	Net Operating Cash flow
2010-11	100.00
2011-12	188.88
2012-13	245.40

Source: The Applicant

Note: To keep confidentially, actual figures have been indexed w.r.t figures of cash flow year 2010-11 by taking it equal to 100

Analysis

34.2 The above table shows that the cash flow position of the Applicant has improved during the POI.

Conclusion

34.3 On the basis of the above, the Commission has concluded that the Applicant did not suffer material injury on account of cash flows.

35. Effects on Employment, Productivity and Salaries & Wages**Facts**

35.1 Effects on domestic industry's employment, productivity and salaries & wages on yearly basis and on quarterly basis are ascertained in the following tables:

**Table – XVI
Employment, Wages and Productivity**

Period	Average Number of Employees (Direct)	Average Salaries & Wages (Rs. in 000)	Domestic Production MT	Productivity Per Worker in MT	Salaries and Wages Rs. Per MT
2010-11	100.00	100.00	100.00	100.00	100.00
2011-12	110.95	109.44	125.71	113.30	87.06
2012-13	120.44	165.53	124.42	103.31	133.05

Source: The Applicant

Note: To keep confidentially, actual figures have been indexed w.r.t figures of year 2010-11 by taking it equal to 100

Analysis

35.2 The above data reveals that number of employees increased by 56 employees from 2010-11 to 2012-13, the productivity per worker increased as compared to base year i.e. 2010-11 and salaries and wages per MT also increased during the same period.

Conclusion

35.3 Based on the above information and analysis, the Commission has concluded that the domestic industry, suffered material injury on account of salaries and wages per MT.

36. Effects on Return on Investment**Facts**

36.1 The information regarding return on investment provided by the applicant in the antidumping application during the POI was verified from the records maintained by the Applicant. The Applicant's return of investment is given below in the table:

Table XVII
Return on Investment (Rs. In Thousands)

Year/Period	Investment	Return	Return on Investment of (%)
2010-11	100.00	1.12	1.1
2011-12	88.40	-0.82	(0.9)
2012-13	83.13	3.85	4.6

Source: The Applicant

Note: To keep confidentially, actual figures have been indexed w.r.t figures of investment of year 2010-11 by taking it equal to 100

Analysis

36.2 The return on investment of the Applicant has decreased slightly in POI for dumping as compared to base year i.e. 2010-11, but was higher than the year 2011-12.

Conclusion

36.3 On the basis of the above, the Commission has concluded that the Applicant did not suffer injury on account of return on investment during POI.

37. Growth:

Facts

37.1 In the antidumping application, the applicant provided the data with regard to growth in fixed assets of entire enterprise. During the on spot investigation the investigation team verified figures of growth of the applicant company from audited accounts which are given below in the table:-

Table XVIII
Growth (Rs. In Thousands)

Year	Total Assets	Growth in Assets
2009-10	100.00	
2010-11	102.77	2.8
2011-12	102.36	(0.4)
2012-13	110.53	8.0

Source: On the spot investigation

Note: To keep confidentially, actual figures have been indexed w.r.t figures of year 2009 by taking it equal to 100

Analysis

37.2 The fixed assets of the Applicant industry have increased in 2012-13.

Conclusion

37.3 On the basis of the above, the Commission has concluded that the Applicant did not suffer injury on account of growth during POI.

38. **Summing up of Material Injury**

38.1 Facts and analysis in the preceding paragraphs shows that the volume of dumped imports from Korea increased from 181 MT in 2010-11 to 411MT in 2011-12 and further increased to 594MT in 2012-13. However, the dumped imports in all the three years remained less than 0.5% of the total domestic consumption. Further, there was no price effects on the domestic industry which reveals that domestic industry has not suffered material injury due to dumped imports. It is also added that there was a slight negative effect on salaries and wages per MT, which factor seems to be non-determinant and may be because of inflation. Therefore, the Commission determined that there is no evidence of material injury to domestic industry which necessitates imposition of provisional antidumping duty.

D. CAUSATION

40. **Effect of Dumped Imports**

As evident from the preceding paragraphs, the domestic industry is not suffering any material injury and hence establishment of causal link is not required.

E. CONCLUSIONS

40. After taking into account all considerations for this determination, the Commission has concluded that the domestic industry, representing 100 percent of production, has filed the application against dumping of PVC from the Exporting Countries. PVC produced by the domestic industry and exported to Pakistan by Exporting Countries are like products. Dumping margins for the alleged dumped imports of the investigated product, is less than negligible (de minimis) level in respect of Taiwan. Therefore, the Commission has determined imports from Taiwan as non-dumped imports. It is found that investigated product imported from Korea to Pakistan at dumped prices. However, volume of dumped imports constituted insignificant part of the total domestic consumption. Furthermore, there is no material injury suffered by the domestic industry.

F. TERMINATION OF INVESTIGATION

41. In view of the analysis and conclusions with regard to material injury and causation, the Commission has decided to terminate this investigation in terms of Section 41 of the Ordinance, as there is no material injury suffered by the domestic industry.

(Shah Jahan Shah)

Member
May 14, 2014

(Naimatullah Khan)

Member
May 14, 2014

(Prince Abbas Khan)

Chairman
May 14, 2014

Annex-I

Name	Country	Address*	Tel & Fax No*	Email
Formosa Plastics Corporation	Taiwan	201 Tung Hwa North Road Taipei, Taiwan	+886-2-2712-2211 +886-2-2717-8108	formosa@fpc.com.tw
United Raw Material Solutions Inc.	Taiwan	B1, No. 102 Tun Hwa N. Rd. Taipei Taiwan 105 Taiwan	+886-2-27182066	
Minland International Corp.	Taiwan	9th Fl., 447 Sec.4, Jen-Ai Road, Taipei	+886-2-27752678	minland@ms34.hinet.net
Kospol Co. Ltd.	Taiwan	Daechi Dong 856-2, Kangnam-Gu	+82-2-3452-6078 +82-2-3452-6076	
Chemcross International, Inc	Taiwan			
Samsung C&T Corporation	Taiwan			
Win Bear Logistics Co Ltd	Taiwan			
Combine Intl Logistics	Taiwan	2nd Fl., No. 19, Sec 3, nan King E. Road, Taipei, Taiwan, R.O.C.	+886225082747 +886225082748	cil-tpe@combine21.com
OCI Corporation	Taiwan	15F-3, No.37, Section 2, Sanmin Road., Banqiao District, New Taipei City, Taiwan	+886-2-2963-8996 +886-2-2963-8990	inquiry@ordercenter.com.tw
	Korea	Semyung Bldg. Suite 802, Daechi-dong, Kangnam-gu,	+82-2-3452-6078	danny.seo@kospol.com

NON-CONFIDENTIAL

Termination Of Anti-Dumping Investigation Against Alleged dumped Imports Of Polyvinyl Chloride (Suspension Grade) Into Pakistan Originating In and/or Exported From the Chinese Taipei (Taiwan), and Republic of Korea.

Name	Country	Address*	Tel & Fax No*	Email
Kospol Co. Ltd.		Seoul, Korea	+82-2-3452-6076	sunny.cha@kospol.com
Korchina Freight TAI	Korea			
Hanwha Corporation	Korea	Hanwha Bldg. 24th Fl., 1 Jangyo-dong, Seoul, Korea	+82-2-729-1114	jhwang@hanwha.com
HC International	Korea	210-404, Beckma-Mauel, Madoo-1dong, Ilsan-ku Koyang-City Gyeonggi-do 411-351 Korea	+82-31-9024197	
Chemcross International, Inc	Korea	East Wing 7th Fl., Signature Towers Seoul, 99 Supyo-dong, Jung-gu, Seoul 100-230, Korea	+82 (0) 26020 0700 +82 (0) 26020 0781	info@chemcross.com
A Jin Industrial Co	Korea	718, Jinwu-Ri, Dochuck-Myeon	+ 82-31-7980614	
Hyundai Corporation	Korea	10th-12th Floor, Heung-Kuk Life Insurance Building 226, 1Ga, Sinmunno, Jongno-gu, Seoul, Korea	+82-2-3901114	sunnykim@hyundaicorp.com
Acentech Corporation	Korea	500-45, Bukyangdong Hwasungsi Gyeonggi-do 445040, Korea	+82-31-357-9925	support@acencorp.com

Annex-II

The comments received on the antidumping application made by the interested parties and germane to this investigation under the Ordinance are reproduced in Column A below and the Commission's response thereto is set out in Column B in the following table:

Comments of Interested Parties

Column - A (Comments of Interested Parties)	Column - B (Commission's Response)
<p>Comments of:</p> <ul style="list-style-type: none">i. All Pakistan PVC Manufactures Associationii. ATS Synthetic Pvt Ltd.iii. Lucky Plastic Industries (Pvt.) Limited, Lahore <p>Representative of the above mentioned parties made following comments/ views:</p>	
<p><u>All Pakistan PVC Manufactures Association:</u></p> <p>"EPCL being the only source and producer of PVC Resin in Pakistan enjoys a monopoly over the production of PVC Resin in Pakistan and is the only indigenous source of PVC Resin in Pakistan. This monopoly of EPCL in Pakistan in the production and supply of PVC Resin enables EPCL to, inter alia, dictate its own terms and conditions for sale and supply of PVC Resin in Pakistan, charge exorbitant prices for PVC Resin, limited production sale and supply thereby adversely affecting the Industry and distorting competition, increase prices unreasonably, practice other unfair trading conditions, charge higher and discriminatory prices in Pakistan for the same PVC Resin which is exported by EPCL at lower competitive prices to other countries without any reason or justification and generally abuse its dominant position in the relevant market in respect of PVC Resin which is carrying out to the detriment of the Industry."</p> <p><u>Price Discrimination for Exported PVC Resin:</u></p> <p>"EPCL not only charges higher prices for PVC</p>	<p>Pricing policy of any business concern is its own policy. PVC Manufacturers Association may raise its concerns regarding monopoly of EPCL at appropriate forums.</p>

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<p>Resin from its customers in Pakistan but blatantly discriminates against these customers by charging a far lower price (which is internationally competitive) for PVC Resin to its customers outside of Pakistan. These lower prices offered by EPCL to its customers outside of Pakistan are internationally competitive and EPCL refuses to offer these lower prices to its customers in Pakistan”</p> <p>“The prices for PVC Resin charged by EPCL even exceed and are excessively higher than those of international providers of PVC Resin and continue to be far in excess of prices for PVC Resin in Asia as well as internationally. The current price of PVC Resin of EPCL as of October 2013 is Rs.161.37/kg whereas those of similar manufacturers and suppliers of PVC Resin in the Asia region and internationally are much lower. In any event and without prejudice, it is submitted that the prices of PVC Resin ought to be lower than those of international prices particularly since EPCL is now producing its own VCM, an ingredient necessary for production of PVC Resin. The prices of PVC Resin should be such that are affordable by local consumer of PVC Resin, and not to math international prices. “</p>	
<p><u>Limiting Production and Sale:</u></p> <p>“In the PVC Resin market the total production carried out by EPCL, the sole manufacturer in Pakistan, lags the demand in the market. Owing to this shortage and no availability of real substitutes in the market the consumers are left with nothing but the ‘take it or leave it” option. Since PVC Resin is an essential and main ingredient in production of PVC Pipes and it consumers, i.e. the manufacturers of PVC Pipes rely on it for their entire business and livelihood, they do not have the option of leaving it and end up buying it in spite of any harsh conditions imposed upon them including unreasonable or excessive price.”</p>	<p>Generally price of a product is negotiated between seller and buyer. Buyer is not bound to buy from a specific source likewise seller cannot be forced to reduce its prices.</p>
<p><u>Legal Objections to the Maintainability of the Above Captioned Application:</u></p> <p>“The Power of Attorney attached to the Application and signed by Mr. Hassab Hafeezuddin, Chief Financial Officer on behalf</p>	

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<p>of the Applicant Company is not a valid and legal authorization on behalf of the Applicant Company as falsely alleged in the Application. The said Power of Attorney is neither signed by the Directors of the Applicant Company nor Board Resolution of Directors has been validly passed as such at a duly convened meeting of the Board of Directors of the Applicant Company in accordance with the Companies Ordinance, 1984 or the Memorandum and Articles of Association of the Applicant Company. The Chief Financial Officer, Mr. Hasseb Hafeezuddin, therefore, being an employee of the Applicant Company as he has not been duly and legally authorized by the Board of Directors of the Applicant Company to do so and the instant Application has been filed by an employee of the Applicant Company having no legal authority, without which the application is incompetent in law and is liable to be dismissed on this ground alone (Reliance is placed on 2012 CLD 957)."</p> <p>"That the Application of the Applicant is solely on the basis of information obtained by the Applicant from PRAL (Pakistan Revenue Automation (Pvt) Ltd which is a private organization and these information and documents cannot be safely and legally relied upon and cannot be claimed and decided as Confidential. Furthermore, the normal value of the Product cannot be determined on the basis of monthly Market Reports issued by JID Chemical Market Advisory Service and the same cannot be claimed and decided as Confidential."</p>	<p>The Chief Financial Officer is responsible for all financial operations; hence he can make an application on behalf of domestic industry.</p> <p>The Commission in this investigation relied on the information provided by the applicant as no exporter provided the information from exporting countries. The Commission, as per its practice, used the import data of Pakistan Customs, processed by PRAL, for calculation of Export Price. For calculation of normal value, the commission relied on the prices from a journal "<i>IHS Chemical Market Advisory Service</i>" IHS Chemical Market Advisory Services (formerly CMAI Market Advisory Services) provides regional and global market advisory services that deliver a comprehensive view of world markets for plastics and polymers.</p>
<p><u>ATS Synthetic Pvt Ltd and Lucky Plastic Industries (Pvt.) Limited, Lahore</u></p> <p>Submission of ATS Synthetic (Pvt) Ltd. and Lucky Plastic Industries (Pvt.) Limited, Lahore primarily relates to injury suffered by the domestic industry and other factors in terms of Section 18(3) of the Ordinance.</p>	<p>The Commission took into account the submissions of the interested parties while making its determination.</p>