

Comments of Interested Parties	NTC View
<p><u>All Pakistan Tiles & Sanitary Merchants Association,</u> <u>M/s Foshan Eiffel Ceramics Company Limited,</u> <u>M/s Foshan Galaxy Import & Export Company Limited,</u> <u>M/s Foshan Hanfei Trading Company Limited,</u> <u>M/s Foshan Ishine Tarding Company Limited,</u> <u>M/s Foshan Junjing Industrial Company Limited,</u> <u>M/s Foshan Kihut Ceramic Company Limited,</u> <u>M/s Huida Sanitary Ware Company Limited,</u> <u>M/s Porcelux Company Limited, M/s Shandong Huasheng International Trade Co,</u> <u>M/s Foshan Griffiths Building Material Company,</u> <u>M/s. Saad International,</u> <u>M/s. Umair International, M/s. M.I.Sanitary Store,</u> <u>M/s. Tile & Tiles Trading CO,</u> <u>M/s. Commercial Crop, M/s. Haseeb & Co,</u> <u>M/s. Hashim Abdullah & Co.</u></p> <p>“Master Tiles another domestic producer of Tiles has a higher share in domestic production than has been disclosed in the application. Installed capacity of Master Tiles is 50,000 SQM/day, this comes to 18.25 million SQM/annum. By taking actual share of Master Tiles in domestic production, the share of Applicant may decrease and would affect the standing of domestic industry as per Section 2(d) and Section 24 of the Act.”</p> <p>“Protection to local industry on Ceramic Tiles the total duty element is 21% Custom duty + 15% RD +17% Sales tax + 3% Additional sales tax + 6% income tax and 2% extra tax aggregating to 77% on calculation of compounded basis by customs. In case of</p>	<p>According to the application submitted by the Applicant, the installed capacity of Master Tiles is 9 million SQM. The Commission on February 22, 2016, May 02, 2016 and April 28, 2017 asked other local producers of Tiles including Master Tiles to provide requisite data/information, however, none of the domestic producers of Tiles responded to the Commission and provided requisite data/information. Therefore, the standing requirements as per Section 2(d) and Section 24 of the Act Applicant were determined on the basis of information available with the Commission.</p> <p>The purpose of the anti-dumping duty is to provide level playing field to the domestic industry against dumped imports and not protection to the domestic industry.</p>

Porcelain Polished Tiles it is 20% Custom duty + 20% RD + 17% Sales tax + 3% additional sales tax + 6% income tax and 2% extra tax which aggregates to 82% on compounded basis”

“The data used for injury analysis pertains to one domestic producer out of six operational units identified in the application, which may not give an objective evidence of injury suffered by the domestic industry as a whole. As there may be other factors of injury which at the same time are responsible for any injury suffered by the Applicant. Therefore, the injury analysis of only one producer on behalf of domestic industry may be skewed and distorted.”

“Ceramic and Porcelain Tiles have a different process of production, resulting in different cost of production and sales price. Having recognized the different nature of Ceramic and Porcelain Tiles, internationally the antidumping investigations are carried out separately for Ceramic and Porcelain Tiles.”

“The Commission has disregarded the information of Galaxy and Junjing (trading exporters of Tiles from China) that have properly submitted the filled in questionnaire in this investigation. Their information was rejected on the basis that they could not provide the information as per Section D and Section F of the questionnaire of all the producers from whom it had purchased investigated product. The Commission may use its export price information and may workout normal value on the basis of best information available or on the basis of cost submitted by Galaxy and Junjing for the producers.”

“On the basis of information of other domestic producers shared with the Commission, it is believed that the imports from China is not the reason of reduced production and profitability of the applicant. There are other reasons of

The Applicant represent around 40 percent share of the production of the domestic industry, therefore, results drawn from injury analysis are projected for the whole domestic industry. Other six domestic producers of Tiles were asked to provide requisite data / information regarding their units for injury analysis of the domestic industry as a whole on February 22, 2016, May 02, 2016 and April 28, 2017, however, they did not provide any information.

In this final determination, the Commission has determined combined dumping margins for Ceramic Tiles and Porcelain Tiles. Accordingly, injury analysis has been carried out for Tiles in this final determination.

Individual dumping margins for Galaxy and Junjing cannot be determined, as they have only provided the information of export sales to Pakistan and did not provide the information of normal value (the information of domestic sales and cost to make & sell) of the producers from whom they purchased the investigated product for exports to Pakistan. The Commission informed on November 10, 2016 the exporters/producers that the individual dumping margin cannot be determined on the basis of the insufficient information.

In accordance with Section 18(2) of the Act, the Commission also examined factors, other than dumped imports of the investigated product, which could at the same time causing material injury to the domestic industry, in order to ensure that possible injury caused by other

injury, if any, suffered by the applicant. Reason being, the landed cost of imports from China never caused an undercutting to the prices of the applicant throughout the POI.”

M/s China Chamber of Commerce of Metal Minerals and Chemicals (CCCMC) and and Foshan Dongpeng Ceramics Co., Limited

“Non segregation of import data as a number of items that are not produced by domestic industry have been included in the import data analysis.”

“All other factors causing injury to the Applicant were ignored by the Commission e.g. Smuggling, Gas & Power outage, Security Situation, Devaluation of Pak Rupee, Poor Management and Marketing Practices, Long Term Employment Contracts, Pricing, import from other countries are lesser prices (UAE, Iran, Indonesia) etc.”

“Oasis in not authorized to undertake filing of application under its Memorandum of Association, hence, it breached of Section 309 (c) of the Companies Ordinance 1984 and is liable to be wound up.”

“Selling price of the Investigated Product is higher than the price of the domestic like product. Price of IP is far more than the Domestic Like Product, therefore, there is no competition.”

Foshan Clouds Import & Export Company Limited, Haseeb & Company, Umair International, Commercial Corporation, M.I. Sanitary Store, and Tiles & Tiles Trading Company

factors is not attributed to the dumped imports. The Commission found that there no other factors causing injury to the Applicant.

The investigated product is Wall and Floor Tiles which includes ceramic, porcelain, vitrified, granite, glazed/unglazed, unpolished finish imported from China, classified under Pakistan Customs Tariff Heading Nos. 6907.1000, 6907.9000, 6908.1000, 6908.9010, 6908.9090 excluding borders and cubes.

In accordance with Section 18(2) of the Act, the Commission also examined factors, other than dumped imports of the investigated product, which could at the same time causing material injury to the domestic industry, in order to ensure that possible injury caused by other factors is not attributed to the dumped imports. The Commission found that there no other factors causing injury to the Applicant.

The Applicant through its Board of Directors resolution authorized Oasis to file application on behalf of the Applicant.

The Commission analysed price under cutting at paragraph - of this final determination report, which shows investigated product (Ceramic) the prices of domestic like product (Ceramic) undercut of 6.98 percent to 15.45 percent during the POI.

“There is a serious anomaly with the subject anti-dumping investigation that the Commission has not determined a separate or independent dumping margin for any of the exporters from China. Furthermore, this has led to benefit only those exporters of China who were producers at the same time, thus, depriving all other exporters from any future exports to Pakistan.”

“Two Board Resolutions, one by Shabbir Tiles & Ceramics Limited in favour of OASIS, and the other by OASIS in favour of Atif Iqbal, were simultaneously required to be filed and appended along with the said anti-dumping application moved before the Commission on 23-12-2015, in order to validly treat the said application to be filed by a duly authorized attorney on behalf of the domestic industry.”

“The application has been filed by M/S OASIS, Chief Executive of said organization is Mr. Mehmood, who is also Chief Executive of M/S Master Tiles, the M/S Master Tiles is the main beneficiary of present proceedings, hence, the application is only proxy application on behalf of M/S Shabbir Tiles. Such application is based on malafides and same is not permissible under the law. M/S Master Tiles and ther domestic industry have to provide data for the purpose of determination of injury, M/S Master Tiles is enjoying huge profits and rest of domestic producers of tiles are also enjoying huge profits, same is the reason that they are neither providing data nor they are co-operating with the Commission with regard to present investigation.”

Shabbir Tiles & Ceramic Limited
(“Applicant”)

“Risk of circumvention in view of wide spectrum of dumping margins and very low dumping margin attributed to Huida Sanitary Ware Company Limited (“Hudia) and Others. Huida has not only exported its own

The Commission has determined individual dumping margins for the exporters/producers who provided complete information. Those exporters/producers who provided partial information, their individual dumping margin cannot be determined. The Commission informed on November 10, 2016 the exporters/producers that the individual dumping margin cannot be determined on the basis of the insufficient information.

The Applicant through its Board of Directors resolution authorized Oasis to file application on behalf of the Applicant.

According to the application submitted by Oasis on behalf of the Applicant (40 percent share in the total domestic production) meets the requirements of Section 24 of the Act, and supported by the all other units of the domestic industry. Therefore, the Applicant fulfills the standing requirements as per Section 24 of the Act.

The individual dumping margins of all the sampled exporters/producers are determined on the basis of the verified information. If any exporter/producer start circumventing duty after the imposition of definitive antidumping

production but it is claimed that it also exported Tiles produced by Hexi and Zibo. This in itself establishes that it is possible for Huida to also export products of other producers or importers (who have a higher antidumping duty applicable to them) and thereby circumvent and frustrate the effect of the imposition of antidumping duty on these entities.”

“Antidumping duty imposed may take into consideration potential removal of current regulatory duty on imported Tiles. Antidumping duty at the rates applied to Huida, Hexi and Zibo in the Preliminary Determination is not sufficient to provide the necessary protection to the domestic industry and as submitted above has been determined on the basis of non-representative or otherwise inaccurate or misleading data.”

“the domestic industry suffered price undercutting of at least 4.11% during 2012-13 and of at least 19.87% during 2013-14 and the actual and correct data, calculations and figures along with analysis is available with the Commission at Section 10.4.1 of the confidential version dated 22-12-2015 of the application of the Applicant submitted to the Commission. The Applicant respectfully urges the Commission to revisit its erroneous calculations regarding price undercutting on the above basis prior to issuance of the Final Determination.”

duty may be dealt with Section 63 of the Act.

Antidumping duties are levied to provide level playing field to the domestic industry and not for the protection of the domestic industry. After the imposition of the provisional antidumping duty, regulatory duty has increased from 15 percent to 37.5 percent.

The Commission analysed price under cutting at paragraph - of this final determination report, which shows investigated product (Ceramic) the prices of domestic like product (Ceramic) undercut of 6.98 percent to 15.45 percent during the POI.