

(NON-CONFIDENTIAL)



**Government of Pakistan
National Tariff Commission**

Report

Of

Final Determination and Imposition of Antidumping Duties in Anti-Dumping Investigation against Dumped Imports of Certain Uncoated Writing / Printing Paper into Pakistan Originating in and/or Exported from Brazil, China, Indonesia, Japan and Thailand

**ADC No. 42/2016/NTC/CUWP
March 30, 2018**

The National Tariff Commission (the "Commission") having regard to the Anti-Dumping Duties Act, 2015 (IV of 2015) (the "Act") and the Anti-Dumping Duties Rules, 2001 (the "Rules") is responsible to conduct investigation for imposition of anti-dumping duties to offset dumping of goods into the Islamic Republic of Pakistan ("Pakistan") after due process and determination of dumping and injury.

2. The Commission has conducted this investigation against imports of Certain Uncoated Writing and Printing Paper ("Certain Paper") exported to Pakistan at dumped prices from the Federative Republic of Brazil ("Brazil"), People's Republic of China ("China"), Republic of Indonesia ("Indonesia"), State of Japan ("Japan") and Kingdom of Thailand ("Thailand") (the "Exporting Countries"), which has caused and is causing material Injury to Pakistan's domestic industry producing Certain Uncoated Writing and Printing Paper under the Act and the Rules. The Commission has made final determination in this investigation under Section 39 of the Act.

3. Final determination is based on the information available to the Commission.

4. This investigation was initiated on January 15, 2016. The Lahore High Court, Lahore in Writ Petition No.4206/16 filed by Khawar Paper Mart and others granted stay against the proceeding in this investigation on February 11, 2016. The Lahore High Court in its decision dated March 15, 2016 ordered that:

"Till such time the NTC complies with the requirement of sections 3 and 5 of the Act, the impugned Notice of initiation shall be held in abeyance and as soon as NTC is functional in terms of sections 3 and 5, it may proceed further with the said notice strictly in accordance with law".

5. On completion of the composition of the Commission on September 05, 2016, the Commission resumed its proceedings in this investigation. The exporters /producers from the Exporting Countries informed that they will provide data /information on Exporter's Questionnaire when the composition of the Commission will be completed. The Commission on September 23, 2016 requested the exporters/ producers from the Exporting Countries in this investigation to furnish requisite data/ information on prescribed Exporter's Questionnaire by October 06, 2016.

6. The petitioners namely Khawar Paper Mart filed a C.P.L No.1262L-2016 in the Honorable Supreme Court of Pakistan challenging the decision of the Lahore High Court, Lahore dated March 15, 2017. The Honorable Supreme Court dismissed the Civil Petitions on April 6, 2017 with an observation that:

"the Commission which has been constituted now shall examine the initiation of the proceedings in question and if those are found to be valid it may continue with them

otherwise those proceedings cannot always be withdrawn by the Commission. In the light of the above, we do not find any merits in these petitions, which are accordingly dismissed."

7. As stated at paragraph 5, *ibid*, the Honorable Supreme Court has directed the Commission to examine the initiation of proceedings in question and if those are found to be valid it may continue with them. In compliance of the direction of the Hon'ble Supreme Court, the Commission considered and revisited the initiation of the investigation dated January 15, 2016 and found it in accordance with the relevant provisions of the Act and the Rules.

8. The importers namely Kahwar Paper Mart filed Appeal Nos.70 to 74 against the Initiation of Investigation before the Antidumping Appellate Tribunal (the "Tribunal") and the Tribunal in its order dated November 11, 2016 directed the Commission to examine all issues raised by the Appellants before it.

9. The Honorable Tribunal has directed the Commission to examine all issues raised by the appellants before the Tribunal. The issues, include, *inter alia*:

- (i) standing of the domestic industry under Section 24 of the Act;
- (ii) segregation of import data from all other imports falling under the same PCT head;
- (iii) writing/printing paper produced from 100 percent wood pulp does not fall within the preview of PCT heading No. 4802.5510 and 4802.6200;
- (iv) allocation of production of wood pulp paper and recycled paper on (PM 7 Machine);
- (v) tariff structure provided by Applicant was not accurate;
- (vi) discrimination between Applicants and the importers in providing PRAL's import data; and
- (vii) claim of confidentiality and summary thereof by the Applicant.

10. The Commission has considered the above mentioned issues raised before the Tribunal and before the Commission by the importers and appropriately addressed these issues in this investigation. The determination of the Commission on aforesaid issues is attached at Annexure-I to the report of Preliminary Determination.

11. In second round of litigation the importers of Certain Uncoated Writing / Printing Paper i.e. M/s Z. R Brothers filed Writ Petition No. 299-P/2017 before the Honorable Peshawar High Court, Peshawar and the Honorable Court stayed the proceedings of the investigation through its order dated January 25, 2017. The Honorable Peshawar High Court disposed-off the writ petition through its order dated April 19, 2017, in following terms:

"...In order to ensure that the petitioners are not prejudiced due to the lack of any appellate forum, this court consider it appropriate that the proceeding envisaged under the Act as for as investigation and preliminary determination are concerned may proceed. However, the final duty, if any, determined against the petitioners, should not be recovered from them till the constitution of a valid Appellate Tribunal, as envisaged under Section 64 of the Act ibid. Let it be clear that all the objections of the respondents shall be taken up by the Tribunal."

The writ petition was disposed of on 19.04.2017.

12. The public hearing of the Commission was scheduled to be held on 11.05.2017 vide notice dated 02.05.2017. However, the Honorable Islamabad High Court in Writ Petition No. 1722/2017 filed by M/s Hamdam Paper Mart stayed the public hearing vide its order dated May 09, 2017 and held that:

"Notice. Meanwhile the impugned notice shall remain suspended till the next date of hearing".

The Petition was dismissed on 18.08.2017.

13. In third round of litigation the importers namely M/s Ikram Brothers again filed Writ Petition No. 3456/2017 in the Honorable Peshawar High Court. The Court stayed the proceedings in its order dated 31.08.2017 and held that:

"Meanwhile, no final order shall be made by the respondents in respect of preliminary determination of anti-dumping duty against the petitioner".

The Petition was disposed of on 26.09.2017.

14. In fourth round of litigation Mr. Muhammad Saleem Bikiya and others filed Constitutional Petition No. 4780/2017 in Sindh High Court, Karachi. The Honorable High Court restrained the Commission from passing final determination in its order dated 02.08.2017 and held that:

"...the Commission may proceed with the investigation however; the final determination shall not be passed in the investigation".

The Honorable Sindh High Court, Karachi has dismissed the Petition on 19-02-2018.

15. M/s P.T Indah Kiat Pulp & Paper, Indonesia through International Business Management filed another Writ Petition No. 178491/2018 in the Lahore High Court, Lahore stating that the Commission has failed to pass any decision on the Price Undertaking filed in terms of Section 46 of the Antidumping Duties Act, 2015. The Lahore High Court, Lahore vide its order dated March 13, 2018 stayed further proceeding in this investigation. The Lahore High Court disposed of the Writ Petition vide its order dated March 20, 2018 with the directions to the Commission *"to pass its decision on the Price Undertaking filed by the petitioners within the period of two weeks from the date of receipt of certified copy of this order."*

16. In pursuance of the orders of Lahore High Court a hearing was held on March 28, 2018 at 11:30 am in the Committee Room of the Commission. The representatives of domestic industry attended the hearing regarding the Price Undertaking offered by M/s RIAA Barker Gillette on behalf of International Business Management (importer of Writing /Printing Paper from the exporters/producers of Sinar Mas Group, Indonesia).

17. The petitioner (M/s P.T Indah Kiat Pulp & Paper) who filed writ petition No. 178491/2018 in the Lahore High Court, Lahore did not attend the hearing either in person or through their advocate. Rather the petitioner P.T Indah Kiat Pulp & Paper, Indonesia informed the Commission through e-mail dated March 26, 2018 that it did not offer any Price Undertaking. The matter regarding price undertaking was disposed of accordingly.

A. PROCEDURE

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

19. Receipt of Application

19.1 The Commission received a written application under Section 20 and 24 of the Antidumping Duties Act, 2015 from M/s Bulleh Shah Packaging Private Limited, Lahore, (the "Applicant") on December 3, 2015. The Applicant has alleged that Certain Paper originating in and/or exported from the Exporting Countries is being dumped into Pakistan, which has caused and is causing material injury to the domestic industry producing Certain Paper.

19.2 The Commission informed the Government of the Exporting Countries of the receipt of application in accordance with the requirements of Section 21 of the Act through their respective embassies in Islamabad vide note verbale dated December 14, 2015.

20. Evaluation and Examination of the Application

The examination of the application showed that it met the requirements of Section 20 of the Act, as it contained sufficient evidence of dumping of Uncoated Writing Printing Paper 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.

21. The Domestic Industry

21.1 Section 2(d) of the Act 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 latter”.

21.2 The domestic industry producing Uncoated Writing Printing Paper from 100 percent wood pulp, consists of following two units and its total capacity of producing Uncoated Writing Printing Paper during the period from April 2014 to March 2015 was around 133,000 MT:

Table-I
Installed Capacity of the Domestic Industry

		(MT)
S.No.	Unit Name	Installed Capacity
i.	Bulleh Shah Packaging Private Limited, Lahore	86.46
ii.	Century Paper & Board Mills Limited, Karachi	13.54
	Total	100.00

Note: To maintain confidentiality, actual figures have been indexed with respect to total installed capacity.

22. Standing of the Application

22.1 In terms of Section 24(1) of the Act;

“.... 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."

22.2 Furthermore, Section 24(2) of the Act 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."

22.3 In the terms of Section 24(1) of the Act, the application shall be considered to have been made by or on behalf of domestic industry only if it is supported by those domestic producers whose collective output constitutes more than fifty per cent 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 Act states 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 a domestic like product produced by domestic industry.

22.4 The following table shows that standing of the antidumping application as per Section 24 of the Act:

Table-II
Standing of the Application

S. No	Name	Share in domestic production	
		Quantity in MT	%age
i.	Bulleh Shah Packaging Pvt. Ltd.	94	Applicant
ii.	Century Paper & Board Mills Ltd.	6	Supporting
	Total	100	

Source: Applicant

22.5 The application has been filed by the Applicant, whose output constitutes 94 percent of total output of the domestic industry. The other domestic producer (Century Paper & Board Mills Limited) has supported the application and hence the application is supported by the domestic producers who represent 100 percent production of domestic like product. Furthermore, the above table shows that the Applicant represents 94 percent of the total domestic production of like product (which is more than 25 percent required under Section 24 (2) of the Act) produced during the period October 01, 2014 to September 30, 2015. Therefore, the application fulfills both the requirements of Section 24 of the Act.

23. Applicant's Views

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

- i. Certain Paper imported from the Exporting Countries into Pakistan and Certain Paper produced by the domestic industry in Pakistan are like products;
- ii. the exporters/ producers from the Exporting Countries are exporting Certain Paper to Pakistan at dumped prices; and
- iii. export of Certain Paper by the exporters/ producers from the Exporting Countries to Pakistan at dumped prices has caused and is causing material injury to the domestic industry producing Certain Paper, mainly through:
 - i) Increased volume of dumped imports;
 - ii) Price undercutting;
 - iii) Price suppression;
 - iv) Decline in market share;
 - v) Decline in capacity utilization;
 - vi) Decline in profits;
 - vii) Decline in productivity;
 - viii) Decline in return on investment;
 - ix) Negative effect on salaries and wages;
 - x) Negative effect on cash flows;
 - xi) Negative effect on growth; and
 - xii) Negative effect on ability to raise capital.

24. Exporters / Producers involved in Dumping

The Applicant has identified thirty-one exporters/producers from the Exporting Countries involved in dumping of Certain Paper. The Applicant has stated that there may be other exporters/producers of Certain Paper in the Exporting Countries, but they do not have the name and addresses of those exporters/producers. Furthermore, according to the Applicant "there is a risk that exports could be diverted through other exporters/traders and that exporters/producers could export under a "different name". Therefore, the Applicant has requested for imposition of anti-dumping duties on all imports of the investigated product originating in and/or exported from the Exporting Countries.

25. Period of Investigation

25.1 In terms of Section 36 of the Act, Period of Investigation (“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”.

25.2 The POI selected for determination of dumping and injury, are, therefore, respectively, as follows:

For determination of dumping	from October 01, 2014 to September 30, 2015
For determination of Injury	from October 01, 2012 to September 30, 2015

26. Initiation of Investigation

26.1 The Commission, in accordance with Section 23 of the Act examined the accuracy and adequacy of the evidence provided in application, and established that there was sufficient evidence of alleged dumping of Certain Paper into Pakistan from the Exporting Countries and consequent material injury to the domestic industry. Accordingly, the Commission issued a notice of initiation in accordance with Section 27 of the Act, 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 January 15, 2016. Investigation concerning alleged dumped imports of Certain Uncoated Writing Printing Paper into Pakistan originating in and/or exported from the Exporting Countries was thus initiated on January 15, 2016.

26.2 In pursuance of Section 27 of the Act, the Commission notified Embassies of the Exporting Countries in Islamabad of the initiation of investigation (by sending a copy of the notice of initiation) on January 15, 2016 with a request to forward it to

¹ The official Gazette of Pakistan (Extraordinary) dated January 15, 2016.

² The daily “Dunya” and the daily “Business Recorder” of January 15, 2016 issue.

all exporters/producers involved in production, sales and export of Certain Paper from the Exporting Countries. Copy of the notice of initiation was sent on January 15, 2016 to known exporters/producers of Certain Paper from the Exporting Countries whose addresses were available with the Commission and also sent to known Pakistani importers and the Applicant on January 15, 2016.

26.3 In accordance with Section 28 of the Act, on January 18, 2016 the Commission sent copy of full text of the written application (non-confidential version) and Exporter's Questionnaire to the exporters/producers of the Exporting Countries. On January 15, 2016, copy of the full text of the written application along with Exporter's 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 Certain Paper from the Exporting Countries. The Importer's Questionnaire was also sent to the importers of Certain Paper on February 01, 2016.

27. Investigated Product, Domestic Like Product and Like Product

27.1 Section 2 of the Act 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:

"means a like product that is produced by the domestic industry".

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".

27.2 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:

27.3 Investigated Product

27.3.1 As per information provided in the application the investigated product is Certain Uncoated Writing and Printing Paper of weight not less than 50 g/m² and not more than 130 g/m², containing 100 percent by weight of fibers, fibers made from wood ("Certain Paper") (the "Investigated Product"). The investigated product falls under

Pakistan Customs Tariff ("PCT") Nos. 4802.5510, 4802.5600, 4802.5700, 4802.6100 and 4802.6200.

27.3.2 The investigated product is mainly used for writing, printing, photocopying and other graphic purposes and sold in reels, sheets and A4 size etc. Following is the duty structure of investigated product:

Table-III
Investigated Product and its Tariff

PCT Heading	Description	Customs Duty (%)
48.02	Uncoated paper and paperboard, of a kind used for writing, printing or other graphic purposes, and non perforated punch -cards and punch tape paper, in rolls or rectangular (including square) sheets, of any size, other than paper of heading 48.01 or 48.03; hand - made paper and paper board	
4802.5510	- Other paper and paperboard, not containing fibres obtained by a mechanical or chemi-mechanical process or of which not more than 10% by weight of the total fibre content consists of such fibres - - Weighing 40 g/ m ² or more but not more than 150 g/ m ² , in rolls:---- Printing Paper	20
4802.5600	- Other paper and paperboard, not containing fibres obtained by a mechanical or chemi-mechanical process or of which not more than 10% by weight of the total fibre content consists of such fibres - - Weighing 40 g/ m ² or more but not more than 150 g/ m ² , in sheets with one side not exceeding 435 mm and the other side not exceeding 297mm in the unfolded state	20
4802.5700	- Other paper and paperboard, not containing fibres obtained by a mechanical or chemi-mechanical process or of which not more than 10% by weight of the total fibre content consists of such fibres - - Other, weighing 40 g/ m ² or more but not more than 150 g/ m ²	20
4802.6100	- Other paper and paperboard, of which more than 10 % by weight of the total fibre content consists of fibres obtained by a mechanical or chemi- mechanical process : - - In rolls:	20
4802.6200	- Other paper and paperboard, of which more than 10 % by weight of the total fibre content consists of fibres obtained by a mechanical or chemi- mechanical process : - - In sheets with one side not exceeding 435 mm and the other side not exceeding 297 mm in the unfolded state:	20

27.3.3. The Commission carried out a segregated analysis of the imports of the investigated product with grammage under different PCT headings from PRAL import data and excluded the grammages below 50g/m² and above 130g/m². The Commission

further excluded tape paper, card paper and other graphic paper while examining the import data of the investigated product. It is further found from the import data analysis that 47.67% of total imports of Uncoated Writing Printing Paper of weight not less than 50 g/m² and not more than 130 g/m² were imported / cleared under PCT No.4802.5510. Similarly, 41.07% of total imports of Uncoated Writing Printing Paper of weight not less than 50 g/m² and not more than 130 g/m² were imported / cleared under PCT No.4802.6200 during 2014-15.

27.4 Domestic Like Product

27.4.1 As per information provided in the application the product under consideration is Certain Uncoated Writing and Printing Paper of weight not less than 50 g/m² and not more than 130 g/m², containing 100 percent by weight of fibers, fibers made from wood ("Certain Paper") (the "Domestic Like Product"). The domestic like product falls under PCT Nos. 4802.5510, 4802.5600, 4802.5700, 4802.6100 and 4802.6200.

27.4.2 The domestic like product is mainly used for writing, printing, photocopying and other graphic purposes and sold in reels, sheets and A4 size etc.

27.5 Like Products

27.5.1 The Applicant has submitted that the investigated product and the domestic like product are same due to following reasons:

- Their physical properties, nature and quality are similar;
- Their production processes are comparable;
- The basic raw materials used in their production are identical;
- They are capable of serving the same or similar end-uses and their practical utility is identical;
- Their tariff classification is the same
- Consumer perceive and treat them as alternative and perfectly substitutable means of performing particular functions in order to satisfy a particular want or demand and hence both the products are like products as per Section 2(m) of the Act.

27.5.2 In light of the above, the Commission has determined that the investigated product and the domestic like product are like products in terms of Section 2(m) of the Act.

28. Information / Data Gathering

28.1 The Commission sent Exporter's Questionnaire to the exporters/producers from the Exporting Countries whose addresses were available with the Commission on January 18, 2016 in order to collect the requisite data and information.

28.2 The exporters/ producers from the Exporting countries were asked to respond within 37 days of dispatch of the Exporter's Questionnaire. On January 15, 2016 the Exporter's Questionnaire was also sent to the Embassies of the Exporting Countries in Islamabad with a request to forward it to the all exporters/producers of the investigated product in the Exporting Countries.

28.3 The Commission also sent Questionnaire on January 15, 2016 to the other domestic producer of Certain Paper, other than the Applicant, requesting it to provide data / information within 37 days of the issuance of the questionnaire for the purpose of determination of material injury to the domestic industry. The other domestic producer did not provide the data/information on the prescribed questionnaire to the Commission.

28.4 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 investigation the Commission has used import data obtained from PRAL in addition to the information provided by the Applicant and the exporters.

28.5 On February 01, 2016 questionnaires were sent to Pakistani importers of the investigated product known to the Commission and these importers were asked to respond to the Commission within 37 days of the dispatch of the questionnaires. None of the Pakistani importer responded to the Commission and did not provide requisite information.

28.6 It may be noted here that the Honorable Lahore High Court stayed the proceedings of the investigation on February 11, 2016 on the request of importers of Certain Paper. The Honorable High Court dismissed the writ petitions with some directions to the Government on March 15, 2016:

"Till such time the NTC complies with the requirement of sections 3 and 5 of the Act, the impugned Notice of initiation shall be held in abeyance and as soon as NTC is functional in terms of sections 3 and 5, it may proceed further with the said notice strictly in accordance with law".

28.7. On completion of the composition of the Commission on September 05, 2016, the Commission started its proceedings in this investigation. The exporters /producers from the Exporting Countries informed that they will provide data /information on Exporter's Questionnaire when the composition of the Commission will be completed. The Commission on September 23, 2016 requested the exporter/ producers from the Exporting Countries in this investigation to furnish requisite data/ information on prescribed exporter's questionnaire by October 06, 2016.

28.8 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. Some of the interested parties have made comments /submitted information which has also been taken into consideration while making this Final determination.

28.9 Thus the Commission has sought from all available sources, relevant data and information deemed necessary for the purposes of this final determination. In terms of Rule 12 of the Rules, during the course of this investigation, the Commission satisfied itself as to the accuracy of information supplied by the interested parties to the extent possible.

29. Questionnaire(s) Response by the Exporters/ Producers from the Exporting Countries

29.1 The Commission sent Exporter's Questionnaire to thirty one exporters/ producers of Certain Paper from the Exporting Countries on January 18, 2016 with a request to respond within 37 days. The exporters / producers requested for extension in time period for submission of data / information on Exporter's Questionnaire. After considering the reasons given in their requests for extension in time period, the Commission granted extension in time period for submission of information on the Exporter's Questionnaire.

29.2 In response the following exporters/ producers of Certain Paper from the Exporting Countries have submitted information on prescribed Exporter's Questionnaire:

- i. Sinarmas Pulp and Paper Group, Indonesia
 - a. PT. Indah Kiat Pulp and Paper Tbk.
 - b. P.T Pabrik Kertas Tjiwi Kimia Tbk.
 - c. PT. Pindo Deli Pulp and Paper Mills
- ii. PT. Riau Andalan Kertas, Indonesia

- iii. Double A (1991) Public Company Limited, Thailand
- iv. Canon Singapore PTE Limited, (*Trading company purchasing Paper from Chinese producers*), Singapore.

29.3 The Commission, after expiry of the time period given for submission of information on Exporter's Questionnaire informed the exporters/producers (who did not respond to the Exporter's Questionnaire) from the Exporting Countries through a letter dated October 25, 2016 that in case no information is provided in response to the Questionnaire, the Commission would be constrained to make its determination based on the 'Best Information Available' in terms of Section 32 of the Act and Article 6.8 and Annex II of the Agreement on Anti-dumping.

29.4 Questionnaire Response from Sinarmas Pulp and Paper Group, Indonesia

29.4.1 The Commission sent Exporter's Questionnaire to Sinarmas Pulp and Paper Group, Indonesia on January 18, 2016. In response, Sinarmas Pulp and Paper Group in its letter dated September 26, 2016 requested for extension of time period for submission of response to questionnaire. The Commission granted extension after considering the reasons given in the request for extension. Its response was received in the Commission on October 25, 2016.

29.4.2 The Exporter's Questionnaire was submitted by following three related companies within Sinarmas Pulp and Paper Group, who were involved into the production, sale and export of the investigated product to Pakistan during the POI:

- i. P.T. Indah Kiat Pulp and Paper Tbk.
- ii. P.T Pabrik Kertas Tjiwi Kimia Tbk.
- iii. P.T. Pindo Deli Pulp and Paper Mills

According to the information provided in response to the questionnaire, the companies mentioned above are exporting producers of Certain Paper during the POI.

29.4.3 The information submitted by the Sinarmas Pulp and Paper Group was analyzed at the Commission and certain deficiencies were identified. Accordingly, those data deficiencies were communicated to it vide Commission's letter dated January 16, 2017.

29.4.4 Sinarmas Pulp and Paper Group was asked to provide the deficient information/data no later than January 23, 2017, so as to enable the Commission to consider and analyze the same for the purposes of this investigation. Sinarmas Pulp

and Paper Group requested for extension in time period to respond the data deficiencies, however, keeping in view the timelines of the investigation, the Commission did not accede to the request for extension in time period for submission of response. Sinarmas Pulp and Paper Group responded to the Commission's deficiencies letter vide its letter dated January 23, 2017.

29.5 Questionnaire Response from PT. Riau Andalan Kertas, Indonesia Producer), and April Fine Paper Trading Pte Ltd (Exporter)

29.5.1 The Commission sent exporter's questionnaire to PT Riau Andalan Kertas, Indonesia ("Andalan Kertas") and April Fine Paper Trading Pte Ltd ("April Fine") on January 18, 2016. Andalan Kertas in its letter dated February 18, 2016 requested for extension of time period for submission of response to questionnaire. The Commission granted extension its letter dated February 18, 2016 after considering the reasons given in the request for extension. Its response was received in the Commission on October 25, 2016.

29.5.2 The information submitted by Andalan Kertas and April Fine in response to the Exporter's Questionnaire was analyzed at the Commission and deficiencies identified. Accordingly, those data deficiencies were communicated to them vide Commission's letter dated January 16, 2016.

29.5.3 Andalan Kertas and April Fine were asked to provide the deficient information/data no later than January 23, 2017, so as to enable the Commission to consider and analyze the same for the purposes of this investigation. Andalan Kertas and April Fine requested for extension in time period to respond the data deficiencies, however, keeping in view the timelines of the investigation, the Commission did not accede to the request for extension in time period for submission of response. Andalan Kertas and April Fine responded to the Commission's deficiencies letter vide its letter dated January 23, 2017.

29.6 Questionnaire Response from Double A (1991) Public Company Limited, Thailand

29.6.1 The Commission sent exporter's questionnaire to Double A (1991) Public Company Limited, Thailand ("Double A") on January 18, 2016. Double A in its letter dated October 05, 2016 requested for extension of time period for submission of response to questionnaire. The Commission granted extension after considering the reasons given in the request for extension. Its response was received in the Commission on October 25, 2016.

29.6.2 The information submitted by Double A in response to the Exporter's Questionnaire was analyzed at the Commission and deficiencies identified. Accordingly, those data deficiencies were communicated to them vide Commission's letter dated January 16, 2017.

29.6.3 Double A was asked to provide the deficient information/data no later than January 23, 2017, so as to enable the Commission to consider and analyze the same for the purposes of this investigation. Double A requested for extension in time period to respond to the data deficiencies letter, however, keeping in view the timelines of the investigation, the Commission did not accede to the request for extension in time period for submission of response.

29.6.4 Double A did not provide information in response to the Commission's deficiencies letter. The Commission informed Double A that it will use "Best Information Available" in terms of Section 32 of the Act for calculation of individual dumping margin on January 25, 2017. Double A sent a letter on February 07, 2017 and explained that it could not provide requisite information because of the stay granted by the Peshawar High Court. However, Double A did not provide deficient data / information even after vacation of stay by the Peshawar High Court.

29.7 Questionnaire Response from Canon Singapore PTE Limited, Singapore (Exporter)

29.7.1 The Commission sent exporter's questionnaire to Canon Singapore PTE Limited, Singapore ("Canon") on January 18, 2016. Canon submitted its response on the exporter's questionnaire in the Commission on March 04, 2016.

29.7.2 The information submitted by Canon in response to the Exporter's Questionnaire was analyzed at the Commission and deficiencies identified. Accordingly, those data deficiencies were communicated to them vide Commission's letter dated January 16, 2017.

29.7.3 Canon was asked to provide the deficient information/data no later than January 23, 2017, so as to enable the Commission to consider and analyze the same for the purposes of this investigation. Canon requested for extension in time period to respond the data deficiencies, however, keeping in view the timelines of the investigation, the Commission did not accede to the request for extension in time period for submission of response. Canon responded to the Commission's deficiencies letter vide its letter dated January 23, 2017.

29.7.4 Canon in its response to deficiency letter shows inability to provide information regarding domestic sales and cost of production of the producers from whom it purchased investigated product for onward exports to Pakistan. Therefore, on the basis of the incomplete information, the individual dumping margin of Canon cannot be determined.

30. Verification of the Information

30.1 In terms of Sections 32(4) and 35 of the Act 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 as to the accuracy and adequacy of information supplied by the interested parties to the extent possible for the purposes of this investigation.

30.2 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 November 9 - 11, 2016.

31. 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.

32. Confidentiality

32.1 In terms of Section 31 of the Act, 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.

32.2 The Applicant has requested to keep confidential the information, which is by nature confidential in terms of Section 31 of the Act. 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. In addition to this, the Applicant and other interested parties also provided certain information on confidential basis, as its disclosure would cause adverse effect upon them.

32.3 Pursuant to requests made by the Applicant and other interested parties to treat certain information as confidential, the Commission has determined the confidentiality in light of Section 31 of the Act 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.

32.4 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 non-confidential file (public file).

33. Written Submissions by the Interested Parties

Views / comments received from the interested parties during the investigation have been taken into consideration. Views/comments and the information submitted by the interested parties have been considered in making this Final determination. The views / comments of the interested parties and their names and Commission's views are given in annotated form at Annexure-II.

34. Preliminary Determination

34.1 The Commission made a preliminary determination in this investigation in terms of Section 37 of the Act, and the Commission issued a notice of preliminary determination which was published on April 26, 2017 in official Gazette of Pakistan and in two widely circulated national newspapers (one English "Daily Express Tribune" and one Urdu Language ("Daily Dunya") notifying preliminary determination. The Commission did not impose provisional antidumping duties.

34.2 The Commission also sent copy of the notice of preliminary determination to the exporters/producers from the Exporting Countries, the importers, the Applicant and Embassies of the Exporting Countries in Islamabad, in accordance with the requirements of Section 37(4) of the Act.

35. Disclosure Meetings after Preliminary Determination

35.1 In terms of Rules 11 of the Rules, the Commission, upon request made by exporters/ producers within fifteen days of the publication of notice of preliminary determination, shall hold disclosure meeting with the producer or exporter to explain dumping calculation methodology applied for that producer/exporter. The Commission shall also provide an opportunity to producer or exporter or their legal representatives to examine and receive copies of the dumping calculation done by the Commission for their exports.

35.2 Following exporters/producers requested for disclosure of dumping calculations:

- i. M/s PT. Riau Andalan Kertas
- ii. M/s PT Indah Kiat Pulp and Paper Tbk
- iii. M/s PT Pabrik Kertas Tjiwi Kimia Tbk
- iv. M/s PT Pindo Deli Pulp and Paper

35.3 The Commission acceded to the request of the above mentioned exporters/ producers and provided the copies of detailed calculations of normal value, export price and dumping margin to their attorney.

36. Hearing

In pursuance of Rule 14 of the Anti-Dumping Duties Rules, 2001 (the "Rules") a hearing was held on the request of M/s Bulleh Shah Packaging Limited (the "Applicant") at the National Tariff Commission (the "Commission") on October 09, 2017 at 11:00 a.m.

37. Disclosure of Essential Facts

37.1 In terms of Rules 14(8) of the Rules, and Article 6.9 of Agreement on Anti-dumping, the Commission disclosed essential facts, and in this context dispatched Statement of Essential Facts ("SEF") on January 10, 2018 to all interested parties including the known exporters/producers, the Applicant, the known Pakistani importers, and to the Embassies of the Exporting Countries in Islamabad.

37.2 Under Rule 14(9) of the Rules, the interested parties were required to submit their comments (if any) on the facts disclosed in SEF, in writing, not later than fifteen days of such disclosure. The Applicant and other interested parties have submitted their comments on SEF. The comments received during the investigation and on the SEF received from the interested parties have been considered while making this final determination and Commission's replies to pertinent issues raised in the comments are at Annexure-I.

B. DETERMINATION OF DUMPING**38. Dumping**

In terms of Section 4 of the Act 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”.

39. Normal Value

39.1 In terms of Section 5 of the Act “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”.

39.2 Further, Section 6 of the Act 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:”.

39.3 Ordinary course of trade is defined in Section 7 of the Act 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.”

40. Export Price

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

41. Dumping Determination

41.1 As stated earlier (paragraph 21 supra) the Applicant identified thirty one exporters/producers from the Exporting Countries involved in dumping of the investigated product. The Commission sent questionnaires to thirty one exporters/producers whose complete addresses were available with the Commission. A copy of the questionnaire was also provided to the embassies of the Exporting Countries in Islamabad with a request to forward it to all exporters/producers of the investigated product based in the Exporting Countries to submit information to the Commission.

41.2 The Commission received response of the questionnaire from following exporters/producers:

- i. Sinarmas Pulp and Paper Group, Indonesia
 - a. PT. Indah Kiat Pulp and Paper Tbk.
 - b. P.T Pabrik Kertas Tjiwi Kimia Tbk.

- c. PT. Pindo Deli Pulp and Paper Mills
- ii. PT. Riau Andalan Kertas, Indonesia
- iii. Double A (1991) Public Company Limited, Thailand
- iv. Canon Singapore PTE Limited, (*Trading company purchasing Paper from Chinese producers*) Singapore

41.3 Canon Singapore PTE Limited, Singapore in its response to deficiency letter shows inability to provide information regarding domestic sales and cost of production of the producers from whom it purchased investigated product for onward exports to Pakistan. Therefore, on the basis of the incomplete information, the individual dumping margin of Canon cannot be determined. Double A did not provide information in response to the Commission's deficiencies letter. The Commission informed Double A to use "best information available" in terms of Section 32 of the Act for calculation of individual dumping margin on January 25, 2017. Double A sent a letter on February 07, 2017 and explained that it could not provide requisite information because of the stay granted by the Peshawar High Court. However, Double A did not provide deficient data / information even after vacation of stay by the Peshawar High Court. Therefore, on the basis of the incomplete information, the individual dumping margin of Double A cannot be determined.

41.4 In this investigation the Commission has determined individual dumping margins for the following producers who provided necessary information:

- i. PT. Indah Kiat Pulp and Paper Tbk., Indonesia
- ii. PT. Pabrik Kertas Tjiwi Kimia Tbk., Indonesia
- iii. PT. Pindo Deli Pulp and Paper Mills, Indonesia
- iv. PT. Riau Andalan Kertas, Indonesia

41.5 Normal value, export price and individual dumping margins for the above-mentioned exporters/producers from Indonesia have been determined in accordance with Part III, IV and V of the Act on the basis of the information provided by them. However, residual dumping margins/duty rates for non-cooperating exporters/producers from Indonesia have been determined as the highest dumping margin of the exporter/producer of Indonesia.

41.6 The Commission has determined dumping margin for the exporters/producers from Brazil, China, Japan and Thailand on the basis of Best Information Available' in terms of Section 32 of the Act and Article 6.8 and Annex II of the Agreement on Anti-dumping.

42. **Determination of Export Price for PT. Indah Kiat Pulp and Paper Tbk., Indonesia (“Indah Kiat”)**

42.1 Export price for Indah Kiat has been determined on the basis of the information provided it on its export sales to Pakistan made during the POI.

42.2 According to the information, Indah Kiat exported **** MT of Certain Paper to all export markets including Pakistan. It exported **** MT of the investigated product to Pakistan during the POI. Indah Kiat exported different types/sizes of the investigated product to Pakistan during the POI. Export sales to Pakistan, during POI were through an un-related sales agent i.e. International Business Management.

42.3 Indah Kiat exported investigated product at CIF basis. To arrive at the ex-factory level, Indah Kiat has reported adjustments on account of credit cost, commission, ocean freight, insurance and bank charges. The Commission has accepted these adjustments and the export price at ex-factory level is worked out by deducting values reported for these adjustments from the gross value of the sales transactions.

43. **Determination of Normal Value for Indah Kiat**

43.1 Normal value for Indah Kiat has been determined on the basis of the information provided by it on its domestic sales made during the POI.

43.2 According to the information, Indah Kiat sold different types/sizes of Certain Paper in its domestic market including the types, which were alike to the types of the investigated product exported to Pakistan during the POI. Indah Kiat sold **** MT in the domestic market during POI. These sales were in sufficient quantities to determine normal value in terms of Section 6(2) of the Act, as these sales were more than 5 percent of the export sales of the investigated product exported to Pakistan during the POI. For the purposes of like to like comparison, normal value is determined only for those types which were comparable to the types of the investigated product.

43.3 Analysis of the information provided by Indah Kiat revealed that some sales of the comparable types were not in ordinary course of trade in terms of Section 7(2) of the Act. Since all domestic sales of Certain Paper by three producers of Sinarmas Pulp and Paper Group were to a related party and the related party that sold Certain Paper in the domestic market did not provide the requisite data /information, therefore, its cost to make and sell was not used to apply ordinary course of trade test.

43.4 The Commission, used cost to make & sell of PT. Pindo Deli Pulp and Paper Mills, Indonesia (a related producer, whose cost seems more reasonable /appropriate) to apply ordinary course of trade test for Indah Kiat. Sales of the comparable types of Indah Kiat, which were not in ordinary course of trade ranges from 90.17 percent to 99.72 percent of sales of a particular type of Certain Paper. For the purposes of determination of normal value for Indah Kiat the Commission has disregarded sales, which were not in ordinary course of trade in accordance with Section 7 of the Act. The normal value for Indah Kiat has been determined on the basis of remaining sales of three types of Certain Paper, which were in the ordinary course of trade, ranging from 0.28% to 9.83% of total domestic sales.

43.5 To arrive at the ex-factory level from delivered price, Indah Kiat has reported adjustment on account of credit cost, inland freight, insurance and bank charges. The Commission has accepted this adjustment and the normal value at ex-factory level is worked out by deducting values reported for this adjustment from the gross value of sales transactions.

44. **Determination of Export Price for PT. Pabrik Kertas Tjiwi Kimia Tbk., Indonesia (“Pabrik Kertas”)**

44.1 Export price for Pabrik Kertas has been determined on the basis of the information provided it on its export sales to Pakistan made during the POI.

44.2 According to the information, Pabrik Kertas exported ****MT of Certain Paper to all export markets including Pakistan. It exported ****MT of the investigated product to Pakistan during the POI. Pabrik Kertas exported types/sizes of the investigated product to Pakistan during the POI. Export sales to Pakistan, during POI, through an un-related sales agent i.e. International Business Management.

44.3 Pabrik Kertas exported investigated product at CIF basis. To arrive at the ex-factory level, Pabrik Kertas has reported adjustments on account of commission, inland freight, ocean freight, and bank charges. The Commission has accepted these adjustments and the export price at ex-factory level has been worked out by deducting values reported for these adjustments from the gross value of the sales transactions..

45. **Determination of Normal Value for Pabrik Kertas**

45.1 Normal value for Pabrik Kertas has been determined on the basis of the information provided by it on its domestic sales made during the POI.

45.2 According to the information, Pabrik Kertas sold different types/sizes of Certain Paper in its domestic market including the types, which were alike to the types of the investigated product exported to Pakistan during the POI. Pabrik Kertas sold **** MT in the domestic market during the POI. These sales were in sufficient quantities to determine normal value in terms of Section 6(2) of the Act, as these sales were more than 5 percent of the export sales of the investigated product exported to Pakistan during the POI. For the purposes of like to like comparison, normal value is determined only for those types which were comparable to the types of the investigated product.

45.3 Analysis of the information provided by Pabrik Kertas revealed that some sales of the comparable types were not in ordinary course of trade in terms of Section 7(2) of the Act. Sales of the comparable types, which were not in ordinary course of trade ranges from 70.14 percent to 70.16 percent of sales of a particular type of Certain Paper. For the purposes of determination of normal value the Commission has disregarded sales, which were not in ordinary course of trade in accordance with Section 7 of the Act. The normal value for Pabrik Kertas has been determined on the basis of remaining sales of three types of Certain Paper, which were in the ordinary course of trade, ranging from 29.84% to 29.86% of total domestic sales.

45.4 To arrive at the ex-factory level from delivered price, Pabrik Kertas has reported adjustment on account of credit cost, inland freight, and insurance. The Commission has accepted this adjustment and the normal value at ex-factory level is worked out by deducting values reported for this adjustment from the gross value of sales transactions.

46. **Determination of Export Price for PT. Pindo Deli Pulp and Paper Mills, Indonesia ("Pindo Deli")**

46.1 Export price for Pindo Deli has been determined on the basis of the information provided it on its export sales to Pakistan made during the POI.

46.2 According to the information, Pindo Deli exported **** MT of Certain Paper to all export markets including Pakistan. It exported **** MT of the investigated product to Pakistan during the POI. Pindo Deli exported types/sizes of the investigated product to Pakistan during the POI. Export sales to Pakistan, during POI, through an un-related sales agent i.e. International Business Management.

46.3 Pindo Deli exported investigated product at CIF basis. To arrive at the ex-factory level, Pindo Deli has reported adjustments on account of credit cost, commission, inland freight, ocean freight, and bank charges. The Commission has accepted these

adjustments and the export price at ex-factory level is worked out by deducting values reported for these adjustments from the gross value of the sales transactions.

47. **Determination of Normal Value for Pindo Deli**

47.1 Normal value for Pindo Deli has been determined on the basis of the information provided by it on its domestic sales made during the POI.

47.2 According to the information, Pindo Deli sold different types/sizes of Certain Paper in its domestic market including the types, which were alike to the types of the investigated product exported to Pakistan during the POI. Pindo Deli sold **** MT in the domestic market during POI. These sales were in sufficient quantities to determine normal value in terms of Section 6(2) of the Act, as these sales were more than 5 percent of the export sales of the investigated product exported to Pakistan during the POI. For the purposes of like to like comparison, normal value is determined only for those types which were comparable to the types of the investigated product.

47.3 Analysis of the information provided by Pindo Deli revealed that some sales of the comparable types were not in ordinary course of trade in terms of Section 7(2) of the Act. Sales of the comparable types, which were not in ordinary course of trade ranges from 97.02 percent to 99.36 percent of sales of a particular type of Certain Paper. For the purposes of determination of normal value the Commission has disregarded sales, which were not in ordinary course of trade in accordance with Section 7 of the Act. The normal value for Pindo Deli has been determined on the basis of remaining sales of three types of Certain Paper, which were in the ordinary course of trade, ranging from 0.64% to 2.98% of total domestic sales.

47.4 To arrive at the ex-factory level from delivered price, Pindo Deli has reported adjustment on account of credit cost, inland freight, rebate and insurance. The Commission has accepted this adjustment and the normal value at ex-factory level is worked out by deducting values reported for this adjustment from the gross value of sales transactions.

48. **Determination of Export Price for PT. Riau AndalanKertas, Indonesia (“AndalanKertas”)**

48.1 Export price for AndalanKertas has been determined on the basis of the information provided by April Fine Paper Trading Pte Limited (“April Fine”) on its export sales to Pakistan made during the POI.

48.2 According to the information, AndalanKertas exported **** MT of Certain Paper to all export markets including Pakistan. It exported **** MT of the investigated product to Pakistan during the POI. AndalanKertas exported types/sizes of the investigated product to Pakistan during the POI. Export sales to Pakistan, during POI, through related trading company i.e. April Fine Paper Trading Pte Limited.

48.3 April Fine exported investigated product at CIF basis. To arrive at the ex-factory level, April Fine has reported adjustments on account of ocean freight, handling cost, insurance, and bank charges. April Fine also provided cost of goods purchased for each transaction in its export sales. The Commission used cost of goods purchased as the export price at ex-factory level.

49. Determination of Normal Value for AndalanKertas

49.1 Normal value for AndalanKertas has been determined on the basis of the information provided by it on its domestic sales made during the POI.

49.2 According to the information, Andalan Kertas sold different types/sizes of Certain Paper in its domestic market including the types, which were alike to the types of the investigated product exported to Pakistan during the POI. Andalan Kertas sold **** MT in the domestic market during POI. These sales were in sufficient quantities to determine normal value in terms of Section 6(2) of the Act, as these sales were more than 5 percent of the export sales of the investigated product exported to Pakistan during the POI. For the purposes of like to like comparison, normal value is determined only for those types which were comparable to the types of the investigated product.

49.3 Analysis of the information provided by AndalanKertas revealed that some sales of the comparable types were not in ordinary course of trade in terms of Section 7(2) of the Act. **The Commission, used cost to make & sell of PT. Pindo Deli Pulp and Paper Mills, Indonesia (another cooperated producer from Indonesia, whose cost seems more appropriate) to ascertain ordinary course of trade for Andalan Kertas.** Sales of the comparable types, which were not in ordinary course of trade ranges from 95.72 percent to 100 percent of sales of a particular type of Certain Paper.

49.4 For the purposes of determination of normal value the Commission has disregarded sales, which were not in ordinary course of trade in accordance with Section 7 of the Act. Therefore, normal value for those types of Certain Paper whose 100 percent sales were below cost (not in ordinary course of trade) has been constructed on the basis of cost of production plus administrative, selling and general costs of PT. Pindo Deli Pulp and Paper Mills, Indonesia (another producer from Indonesia, whose

cost seems more appropriate) plus 5 percent profit.

49.5 To arrive at the ex-factory level from delivered price, Andalan Kertas has reported adjustment on account of rebate, inland freight, handling cost and insurance. The Commission has accepted this adjustment and the normal value at ex-factory level is worked out by deducting values reported for this adjustment from the gross value of sales transactions.

50. Determination of Export Price for the exporters/producers of Certain Paper from Brazil, China, Japan and Thailand

50.1 As no exporter/ producer of the investigated product from Brazil, China and Japan has provided information on its exports of the investigated product, therefore, export price is determined on the basis of best information available with the Commission. For this purpose information obtained from PRAL on imports of the investigated product during the POI is used.

50.2 The information obtained from PRAL is at C&F level. To reach at ex-factory level, C&F export price is adjusted on account of credit cost, commission, ocean freight, insurance and bank charges. The Commission has used the adjustments claimed by Indah Kiat to reach at ex-factory export price.

50.3 Export price for exporters/producers of Thailand has been determined on the basis of the information provided by Double A on its export sales to Pakistan made during the POI (the only exporter from Thailand). Double A exported **** MT of the investigated product to Pakistan during the POI. The Commission has used the adjustments claimed by Indah Kiat to reach at ex-factory export price.

50.4 Weighted average export price of the investigated product imported from Brazil, China, Japan and Thailand during the POI is given in the following table:

Table-IV
Weighted Average Export Price (US\$/MT)

Exporting Countries	Weighted average C&F export price	Ex-factory export price
Brazil	100.00	87.72
China	95.48	85.68
Japan	98.07	88.26
Thailand	127.08	111.78

Source: PRAL, Cooperated exporters

Note: To maintain confidentiality actual figures have been indexed with respect of Weighted Average C&F export price of Brazil by taking it equal to 100.

51. Determination of Normal Value for the exporters/producers of Brazil, China, Japan and Thailand

51.1 As no exporter/ producer of the investigated product from Brazil, China and Japan has provided information on its domestic sales of the investigated product, therefore, normal value is determined on the basis of best information available with the Commission.

51.2 Thai exporter/producer i.e. Double A did not provide information (domestic sales and cost of production) in response to the Commission's deficiencies letter. The Commission informed Double A to use "best information available" in terms of Section 32 of the Act for calculation of individual dumping margin on January 25, 2017. Double A sent a letter on February 07, 2017 and explained that it could not provide requisite information because of the stay granted by the Peshawar High Court, however, while analyzing the deficient information provided by Double A, it came to know that again it did not provide the requisite information. Therefore, on the basis of the incomplete information, the individual dumping margin of Double A cannot be determined. Normal value for the Thai exporters/producers is also determined on the basis of best information available with the Commission

51.3 The Commission determined normal value for China on the basis of prices of like product prevailed in the domestic markets of China from a report of "Asian Pulp and Paper Monitor" in accordance with Section 5 of the Act.

51.4 The Commission constructed normal value on the basis of the cost of production in Brazil, Japan and Thailand plus a reasonable amount for administrative, selling and general costs and profits in accordance with Section 6 of the Act. The construction of normal value is based on the following:

- i. As the technology/ production process used by the exporters of Brazil, Japan and Thailand to produce Certain Paper is the same/similar to the technology/ production process used by the Applicant, therefore, the cost of imported raw materials/inputs of the Applicant is taken as raw materials cost. For locally purchased raw and packing materials, actual costs of the Applicant have been taken back to the C&F level by deducting the import taxes/charges and incidentals from the landed cost/purchase price.
- ii. C&F prices of raw materials/inputs arrived at as per explanation at serial (i) above are multiplied with the per unit consumption of the raw

materials to arrive at raw material cost per unit. Consumption of raw material per unit is based on the yearly average of the Applicant.

- iii. Labor hours employed by the domestic industry to produce one MT of Certain Paper have been multiplied by labor rate applicable in Brazil, Japan and Thailand to arrive at cost of salaries and wages for construction of normal value from Thailand.
- iv. Per unit consumption of other overheads (electricity, fuel/gas etc.) of the Applicant is multiplied with electricity/fuel/gas rates prevailing in Brazil, Japan and Thailand to arrive at overheads cost in construction of normal value.
- v. Selling and admin expenses of the Applicant are taken for construction of normal value.
- vi. In construction of the normal value, financial charges are calculated by using actual financial charges of the Applicant and the same has been deflated by difference between interest rate of Brazil, Japan and Thailand and Pakistan.
- vii. Profit of 5 percent has been applied on cost to make & sell to reach at constructed normal value for Brazil, Japan and Thailand.

51.5 On the basis of the above, normal value of the Certain Paper Brazil, China, Japan and Thailand works out to be as follows:

Table-V
Normal Value

Exporting Countries	Normal Value (US\$/MT)
Brazil	100.00
China	81.66
Japan	105.49
Thailand	99.51

Note: To maintain confidentiality actual figures have been indexed with respect of Normal Value of Brazil by taking it equal to 100.

52. Dumping Margin

52.1 The Act defines “dumping margin” in relation to a product as “*the amount by which normal value exceeds its export price*”.

52.2 Section 12 of the Act provides three methods for fair comparison of normal value and export price in order to establish dumping margin. The Commission has calculated dumping margin by comparing weighted average normal value with weighted average export price at ex-factory level.

52.3 The Commission has also complied with the requirements of Section 11 of the Act 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.

52.4 The Commission has investigated exporters/producers from Indonesia mentioned at paragraph 36.4 supra who cooperated and responded to the Commission's questionnaire. Individual dumping margins for the exporters/producers mentioned at paragraph 36.4 supra have been determined and the antidumping duty rate for those exporters/producers is determined on the basis of individual dumping margins calculated for each exporter/producer. Residual dumping margin/duty rate for non-cooperating exporters/producers from Indonesia has been determined as the highest dumping margin of the exporter/producer from Indonesia.

52.5 The Commission has determined dumping margin for the exporters/producers from Brazil, China, Japan and Thailand on the basis of Best Information Available' in terms of Section 32 of the Act and Article 6.8 and Annex II of the Agreement on Anti-dumping.

52.6 Taking into account all the requirements set out above, the dumping margins have been determined as follows. Calculations of dumping margin are placed at Annexure -XI:

Table-VI
Dumping Margins

Exporter/ Producer	Dumping Margin as	
	% of Export Price	% of C&F Price
Brazil		
• All exporters	48.80	42.80
China		
• All exporters	24.40	21.90
Indonesia		
• PT. Indah Kiat Pulp and Paper Tbk	11.81	10.62
• PT. PabrikKertas Tjiwi Kimia Tbk	11.81	10.62
• PT. Pindo Deli Pulp and Paper Mills	11.81	10.62
• PT. Riau AndalanKertas	26.72	20.66
• All others	26.72	20.66

Final Determination in Anti-Dumping Investigation against Dumped Imports of Certain Uncoated Writing / Printing Paper into
Pakistan Exported from Brazil, China, Indonesia, Japan and Thailand

Japan • All exporters	55.99	50.39
Thailand • All exporters	16.20	14.25

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

53.1 In terms of Section 41(3) of the Act, 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, set out in paragraph 44.6 supra, are above the *de minimis* level.

53.2 As regards the volume of dumped imports, Section 41(3) of the Act 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 dumped imports of the investigated product and other imports of Certain Paper has been obtained from PRAL. Volume of dumped imports of the investigated product and the Certain Paper imported from other sources during the POI (October 1, 2014 to September 30, 2015) is given in the table below:

Table-VII
Volume of Imports of Certain Paper during the POI

Country Name	As Percentage of total imports
Brazil	5.56
China	4.92
Indonesia	70.25
Japan	5.65
Thailand	9.46
Other sources	4.17
Total	100

Source: PRAL

53.3 On the basis of above information, the Commission has determined that the volume of dumped imports of the investigated product from the Exporting Countries during the POI was well above the negligible threshold set-out in Section 41(3) of the Act.

C. INJURY TO DOMESTIC INDUSTRY

54. Determination of Injury

54.1 Section 15 of the Act 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...”*

54.2 Section 15 of the Act 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”.

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

55. Cumulation of Dumped Imports

55.1 Section 16 of the Act states that:

“where imports of a like product from more than one country are the subject of simultaneous investigation under this Ordinance, the Commission may cumulatively assess the effects of such imports on the domestic industry only if it determines that

“(a) dumping margin in relation to an investigated product from each country is more than the negligible amount as specified..., and volume of dumped imports from each investigated country is not less than the negligible quantity as specified.....; and

“(b) a cumulative assessment of the effects of the imports is appropriate in the light of:

- (i) the conditions of competition between the imports; and*
- (ii) the conditions of competition between the imports and a domestic like product”.*

55.2 Volume of dumped imports during the POI from the Exporting Countries was above the negligible quantity (paragraph 45.3 supra). Furthermore, dumping margins for each country was also more than the *de-minimis* level (paragraph 44.6 supra).

55.3 Weighted average export price charged by the exporters from the Exporting Countries during the POI for dumping is given below which shows that there was a price competition between imports of the investigated product:

Table - VIII
Weighted Average C&F Export Price

Exporting Country	Weighted Average C&F Export Price (US\$/MT)
Brazil	100.00
China	95.48
Indonesia	97.85
Japan	98.07
Thailand	127.08

Source: PRAL

Note: To maintain confidentiality actual figures have been indexed with respect of Weighted Average C&F export price of Brazil by taking it equal to 100.

55.4 There is a competition between investigated product and the domestic like product in terms of price, market share, and sales etc. Conditions of competition between imports of the investigated product and the domestic like product are discussed in detail in paragraphs below.

55.5 For the reasons given above, the Commission has cumulatively assessed the effects of dumped imports from the Exporting Countries on the domestic industry in following paragraphs:-

56. Domestic Industry

56.1 As stated in paragraph 16 supra, for the purposes of this Final determination, the Commission has determined that domestic industry manufacturing domestic like product consists of following two units:

- i. M/s Bulleh Shah Packaging (Pvt) Ltd., Lahore
- ii. M/s Century Paper Mills Ltd., Karachi

56.2 One of these two units (mentioned at S. No.(i), above) Bulleh Shah Packaging (Pvt) Ltd., Lahore is the "Applicant". Other unit has shown its support but not furnished the data to the Commission. Details of production of the domestic industry

during the POI are as follows:

Table-IX
Unit-wise Production

S. No	Name	Share in domestic production (%age)	Supporting/ Opposing/ Indifferent
i.	Bulleh Shah Packaging Pvt. Ltd.	94	Applicant
ii.	Century Paper & Board Mills Ltd.	6	Supporting
	Total	100	

Source: Applicant

56.3 According to the above information, the Applicant produced 94 percent of total domestic production of the domestic like product during the POI for dumping. The Commission's investigation also revealed that neither the Applicant was itself importer of the investigated product, nor was related to the exporters, involved in dumping of the investigated product into Pakistan.

56.4 On the basis of the above information and analysis, for the purposes of this investigation, the Applicant is considered as the "domestic industry" in terms of Section 2(d) of the Act as it represents the major proportion of the total production of the domestic like product.

56.5 Analysis of injury factors carried out in this determination in the following paragraphs is, therefore, based on the information submitted by Applicant.

57. Volume of Dumped Imports

Facts

57.1 In order to ascertain the increase in the volume of dumped imports of the investigated product, the Commission obtained import data from PRAL.

57.2 With regard to the volume of dumped imports, in terms of Section 15(2) of the Act, the Commission considered whether there has been a significant increase in volume of dumped imports, either in absolute terms or relative to the production of the domestic like product in Pakistan. The following table shows imports of the investigated product during the POI:

Table-X
Volume of Dumped Imports

Year	Dumped Imports of Investigated Product (MT)	%age Increase/ Decrease
2012-13	100.00	--
2013-14	87.08	-12.92
2014-15	116.98	34.32

Source: PRAL Year: October 1, to September 30,

Note: To maintain confidentiality actual figures have been indexed with respect of dumped imports of investigated product in the year 2012-2013 by taking it equal to 100

Analysis

57.3 It may be noted from the above table that the volume of dumped imports decreased in absolute terms from **** MT in 2012-13 to **** MT in 2013-14, which substantially increased to **** MT in 2014-15. The volume of dumped imports increased by 34.32 percent in 2014-15 as compared to the previous year. Thus, during the period of dumping there is significant increase of 34.32 percent in volume of dumped imports in absolute terms.

58. Price Effects

58.1 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:

58.2 Price Undercutting

Facts

58.2.1 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 the POI. Landed cost of the investigated 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 the POI is given in following table:

Final Determination in Anti-Dumping Investigation against Dumped Imports of Certain Uncoated Writing / Printing Paper into
Pakistan Exported from Brazil, China, Indonesia, Japan and Thailand

Table-XI
Price Undercutting

Year	Price of domestic like product	Landed cost of dumped imports	Price undercutting (Percentage)
2012-13	100.00	101.82	--
2013-14	109.04	102.99	5.55
2014-15	109.30	101.83	6.83

Source: Applicant & PRAL Year: October 1, to September 30,

Note: To maintain confidentiality actual figures have been indexed with respect of price of domestic like product in the year 2012-2013 by taking it equal to 100.

Analysis

58.2.2 The information provided in the above table shows that the weighted average landed cost of the investigated product remained lower than the weighted average ex- factory price of the domestic like product during 2013-14 and 2014-15. The landed cost of the investigated product undercut the price of the domestic like product by 5.55 percent in 2013-14 and 6.83 percent in 2014-15. Due to this lower landed cost, the imports from dumped sources increased in absolute terms during the POI for dumping. The prices of the investigated product undercut the prices of domestic like product during the POI.

58.3 Price Depression

Facts

58.3.1 Applicant's sales prices of the domestic like product during the POI are given in table below:

Table - XII
Price Depression (Rs/MT)

Year	Price of domestic like product	Price Depression	
		Absolute	Percentage
2012-13	100.00	--	--
2013-14	109.04	--	--
2014-15	109.30	--	--

Source: Applicant Year: October 1 to September 31

Note: To maintain confidentiality actual figures have been indexed with respect of price of domestic like product in the year 2012-2013 by taking it equal to 100.

Analysis

58.3.2 The table above shows that the prices of domestic like product increased from 100 in 2012-13 to 109.04 in 2013-14. The price of the domestic like product

increased to 109.30 during the POI for dumping i.e. 2014-15. The prices of domestic like product increased during the POI.

58.4 Price Suppression

Facts

58.4.1 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 - XIII
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 (%)
2012-13	100.00	84.32	--
2013-14	99.39	91.94	--
2014-15	103.85	92.16	4.60

Source: Applicant

Year: October 1 to September 31

Note: To maintain confidentiality actual figures have been indexed with respect of average cost to make & sell of domestic like product in the year 2012-2013 by taking it equal to 100.

Analysis

58.4.2 Above table shows that average cost to make and sell of the domestic like product decreased from 100 (0.61 percent) in 2013-14 as compared to year 2012-13, and increased to 103.85 (4.48 percent) in 2014-15 as compared to 2013-14. The sale price of domestic industry increased to 91.94 (9.04 percent) in 2013-14 over the preceding year i.e. 2012-13 and then increased to 92.16 (0.24 percent) in 2014-15 over 2013-14. The domestic industry suffered price suppression during the 2014-15.

59. Effects on Market Share

Facts

59.1 Total domestic demand for Certain Paper in Pakistan is met through local production and imports. Size of the domestic market is established by adding sales of domestic like product and imports of the investigated product from dumped sources and imports of Certain Paper from other sources. Following table shows the market share from each source during the POI:

Final Determination in Anti-Dumping Investigation against Dumped Imports of Certain Uncoated Writing / Printing Paper into
Pakistan Exported from Brazil, China, Indonesia, Japan and Thailand

Table - XIV
Market Share (MT)

Year	Sales by the Domestic Industry*	Imports		Total domestic market
		Dumped Sources	Other than Dumped Sources	
2012-13	21.65	75.54	2.81	100.00
2013-14	30.79	65.78	4.62	101.19
2014-15	33.72	88.36	3.84	125.92

*Sale by the Domestic industry includes the sales of Applicant and other domestic producer who started production 2014-15. Source: PRAL & Applicant Year: October 1 to September 30

Note: To maintain confidentiality actual figures have been indexed with respect of total domestic market in the year 2012-2013 by taking it equal to 100.

Analysis

59.2 The above table shows that the domestic market of Certain Paper increased by 1.19 percent during 2013-14 and it increased by 24.43 percent in 2014-15. The share of domestic industry in the domestic market increased from 22 percent in 2012-13 to 30 percent in 2013-14 and then decreased to 28 percent in 2014-15. Market share of the dumped imports decreased from 76 percent in 2012-13 to 66 percent in 2013-14 and then increased significantly to 70 percent in 2014-15. However, imports from other sources decreased from 3 percent in 2013-14 to 2 percent in 2014-15, indicating that dumped imports have also replaced imports from other sources.

60. Effects on Production and Capacity Utilization

Facts

60.1 The installed capacity, quantity produced and the capacity utilization of the Applicant during the POI were as follows:

Table-XV
Capacity Utilization

Year	Capacity Utilization
2012-13	19.32%
2013-14	24.74%
2014-15	22.73%

Source: Applicant Year: October 1 to September 30

Analysis

60.2 It may be noted from the above table that the quantity produced and capacity utilization of the Applicant increased from 19.32 percent in 2012-13 to 24.74 percent in 2013-14. Capacity utilization decreased from 24.74 percent in 2013-14 to 22.73 percent in

2014-15. Had there been no dumping from the Exporting Countries, the production and the capacity utilization of the domestic industry would have been higher, as the total domestic demand for Certain Paper was much higher than the production of the Applicant and has been increasing during the POI.

61. Effects on Sales

Facts

61.1 The total sales of Certain Paper of the Applicant during the POI are given below:

Table- XVI
Sales by the Applicant

Year	Sales
2012-13	100.00
2013-14	142.21
2014-15	148.68

Source: the Applicant Year October 1 to Sep. 30

Analysis

61.2 The above table shows that the domestic industry's sales of domestic like product increased from 100 in 2012-13 to 142.21 in 2013-14. The sales of the domestic industry further increased to 148.68 in 2014-15. Had there been no dumping from the Exporting Countries, the sales of the domestic like product would have been higher, as the domestic industry has sufficient production capacity to meet the total demand.

62. Effects on Inventories

Facts

62.1 The data relating to accumulation of inventories of the domestic like product during the POI is given in the table below:

Table-XVII
Inventories

Year	Opening inventory	Production	Sales	Closing inventory
2012-13	21.20	100.00	83.50	37.70
2013-14	37.70	128.05	118.75	46.99
2014-15	46.99	117.64	124.15	40.48

Source: the Applicant Year: October 1 to September 30

Note: To maintain confidentiality actual figures have been indexed with respect of production in the year 2012-2013 by taking it equal to 100.

Analysis

62.2 The above table shows that the closing inventory of the domestic like product has

increased from *** MT in 2012-13 to *** MT in 2013-14, however, it decreased to *** MT during 2014-15.

63. Effects on Profit/Loss

Facts

63.1 The table below shows the net profit and loss figures of the Applicant for the POI:

**Table -XVIII
Profit/(Loss) of the Applicant**

Year	Net Profit/(Loss)
2012-13	(100.00)
2013-14	(67.55)
2014-15	(110.84)

Source: Applicant Year: October 1 to September 30

Note: To maintain confidentiality actual figures have been indexed with respect of net profit/(loss) in the year 2012-2013 by taking it equal to 100.

Analysis

63.2 The above table shows that the Applicant incurred losses during the whole POI. The net loss of the domestic industry decreased by 32.45 percent in 2013-14 as compared to the year 2012-13 and then increased by 64.09 percent in 2014-15. Due to significant increase in the volume of dumped imports in 2014-15 from the Exporting Countries, and price undercutting, the domestic industry incurred losses.

64. Effects on Return on Investment

Facts

64.1 The following is the information regarding the return on investment of the Applicant:

**Table XIX
Return on Investment**

Year	Return on Investment
2012-13	1.76%
2013-14	0.51%
2014-15	(3.17%)

Analysis

64.2 The above table shows that the Applicant's return on investment was 1.76 percent during 2012-13, which decreased to 0.51% in 2013-14 and was negative 3.17 percent in 2014-15.

65. Effects on Cash Flow**Facts**

65.1 The cash flow from operations from all products manufactured by Bulleh Shah Packaging (Pvt.) Ltd. Has been used for cash flow analysis. The following is the information regarding the cash flow positions of the Applicant during the POI:

Table -XX
Cash generated from operations

Year	Cash flow from operations
2012-13	(100.00)
2013-14	(326.30)
2014-15	(217.57)

Source: Applicant Year: October 1 to September 30

Note: To maintain confidentiality actual figures have been indexed with respect of cash flow from operations in the year 2012-2013 by taking it equal to 100.

Analysis

65.2 The above table shows that the domestic industry's net cash flow from its operations were negative (cash outflow) Rs.*** million in 2012-13, cash outflow increased to Rs.*** million in 2013-14. However, in 2014-15 cash outflow decreased to Rs.***million.

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

66.1 The data relating to the employment, salaries & Wages and productivity of the Applicant during the POI is given in the following table:

Table - XXI
Employment, Wages and Productivity

Year	Number of Employees	Salaries & Wages (Rs. in 000)	Domestic Production (MT)	Productivity per worker (MT)	Salaries & Wages (Rs./ MT)
2012-13	100.00	100.00	100.00	100.00	100.00
2013-14	135.21	92.93	128.05	94.70	72.57
2014-15	135.21	131.39	117.64	87.03	111.68

Source: Applicant Year: October 1 to September 30

Note: To maintain confidentiality actual figures have been indexed with respect of figures in the year 2012-2013 by taking it equal to 100.

Analysis

66.2 The above table shows that the employment in the domestic industry increased during the POI with the increase in production. Salaries and wages per MT decreased from Rs. ***/MT in 2012-13 to Rs. ***/ MT in the year 2013-14 and again increased to ***/MT in 2014-15. Productivity per worker of the domestic industry decreased during the POI.

67. Effects on Growth**Facts/Analysis**

Total installed capacity of the domestic industry during the POI was *** MT, whereas, the total domestic demand for Certain Paper was around *** MT. Hence there is excess capacity of around *** MT of domestic like product in Pakistan, therefore, there is no need to for further investment. The domestic industry has the capacity to cater the growing demand.

68. Ability to Raise Capital**Facts/Analysis**

The Applicant is facing continuous negative return on investment, which affected its ability to raise capital through stock market, as the domestic industry was unable to provide dividends to its shareholders.

69. Magnitude of Dumping Margins**Facts/Analysis**

Dumping margin calculated ranges from 5.72 percent to 55.26 percent which can be considered as enough to cause injury to the domestic industry.

70. Summing up of Material Injury

70.1 Facts and analysis in the preceding paragraphs shows that the domestic industry has suffered material injury due to dumped imports of the investigated product during POI on account of significant increase in the volume of dumped imports of the investigated product in absolute terms during the POI for dumping.

70.2 The prices of the investigated product undercut the prices of domestic like product during the POI. However, the domestic industry suffered material injury on account of price suppression during 2014-15. The domestic industry suffered material injury on account of decline in market share, low capacity utilization, due to

dumped imports of the investigated product during the POI. There was a negative effect on the profits, cash flows, return on investment of the domestic industry and the ability of domestic industry to raise capital from capital market also suffered. Therefore, it is concluded that the domestic industry suffered material injury due to dumped imports of investigated product during the POI.

D. CAUSATION

71. Other Factors

71.1 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.

71.2 The investigation of the Commission revealed that the domestic industry did not suffer material injury due to imports of Certain Paper from sources other than dumped source during the POI. Following table shows the volume and prices of imports from other than dumped source:

Table-XXII

Volume and Prices of Certain Paper Imports from other Source__ (Rs./MT)

Year	Volume of imports from other than dumped source	Weighted Average landed cost of Certain Paper from other than dumped source	Weighted Average price of domestic like product
2012-13	100.00	100.00	92.96
2013-14	164.33	88.63	101.37
2014-15	136.62	103.89	101.61

Source: Applicant

Year: October 1 to September 30

Note: To maintain confidentiality actual figures have been indexed with respect to volume of imports from other source and weighted average landed cost of Certain Paper from other than dumped source in the year 2012-13 by taking them equal to 100.

72.3 The above table shows that the volume of imports from sources other than dumped source has increased from *** MT in 2012-13 to *** MT in 2014-15 whereas, the weighted average landed cost of Certain Paper from sources other than dumped source was higher than the weighted average price of domestic like product during the dumping POI. Hence it is concluded that the domestic industry did not suffer material injury due to imports of Certain Paper from sources other than dumped source during the POI.

Final Determination in Anti-Dumping Investigation against Dumped Imports of Certain Uncoated Writing / Printing Paper into Pakistan Exported from Brazil, China, Indonesia, Japan and Thailand

72.4 In terms of Section 18(3) of the Act, the Commission analysed that whether there is contraction in demand of Certain Paper or there are changes in the patterns of consumption of Certain Paper in Pakistan. Following table shows the total domestic market of Certain Paper in Pakistan:

Table-XXIII
Total Domestic Market of Certain Paper

Year	Sales by the Domestic Industry*	Imports		Total domestic market
		Dumped Sources	Other than Dumped Sources	
2012-13	21.65	75.54	2.81	100.00
2013-14	30.79	65.78	4.62	101.19
2014-15	33.72	88.36	3.84	125.92

*Sale by the Domestic industry includes the sales of Applicant and other domestic producers

Source: PRAL & Applicant Year: October 1 to September 30

Note: To maintain confidentiality actual figures have been indexed with respect of total domestic market in the year 2012-2013 by taking it equal to 100.

72.5 The above table shows that there is no contraction in demand of Certain Paper during the POI rather the total demand of Certain Paper increased from *** MT in 2012-13 to *** MT in 2014-15. Based on the above facts, the Commission has concluded that there is no contraction in demand for Certain Paper and there are no changes in the pattern of consumption of Certain Paper in Pakistan, hence, the domestic industry did not suffer material injury due to contraction in demand and changes in the pattern of consumption of Certain Paper during the POI.

72.6 The factors mentioned in Section 18(3) of the Act were also analyzed and it was found that:

- i. The domestic industry did not export, therefore, there is no effect on export performance and productivity of the domestic industry;
- ii. There was no change in trade restrictive practices and competition between foreign producers other than producers from the Exporting Countries and domestic producers; and
- iii. There was no considerable change in technology.

73. Effect of Dumped Imports

73.1 From the foregoing analysis it appears that the volume of the dumped imports significantly increased during 2014-15 which caused significant price undercutting, price suppression, decline in market share, and return on investment. This also resulted

in negative effect on cash flows, inventories, and ability to raise capital.

73.2 It appears from analysis that there was a time correlation between increase in dumped imports and injury to domestic industry. Therefore it is concluded that following happened simultaneously during POI:

- i. Volume of dumped imports of the investigated product increased significantly in absolute terms;
- ii. Domestic industry experienced price undercutting and price suppression due to dumped imports of the investigated product;
- iii. Domestic industry experienced decline in market share, capacity utilization, profits, productivity and return on investment;
- iv. Domestic industry faced negative effect on cash flows, salaries & wages and ability to raise capital due to dumped imports;

E. CONCLUSIONS

74. The conclusions, after taking into account all considerations for this determination, are as follows:

- i. the application was filed by the domestic industry as the Applicant represent 100 percent of the production of domestic like product;
- ii. the investigated product and the domestic like product are alike products;
- iii. during POI, the investigated product was exported to Pakistan by the exporters/producers from the Exporting Countries at prices below its normal value;
- iv. the volume of dumped imports of the investigated product and the dumping margins established for the exporters/producers of the investigated product from the Exporting Countries are above the negligible and *de minimis* levels respectively;
- v. the dumping margins expressed as a percentage of weighted average adjusted export price at ex-factory level is ranging between 5.72 percent to 55.26 percent for exporters/producers from the Exporting Countries;
- vi. the domestic industry suffered material injury on account of volume of dumped imports, price undercutting, price suppression, decline in market share, capacity utilization, profits, productivity and return on investment.

- vii. the domestic industry also suffered material injury on account of negative effect on cash flows, salaries & wages and ability to raise capital and magnitude of dumping margins in terms of Section 15 and 17 of the Act; and
- viii. there is a causal relationship between dumped imports of the investigated product and the material injury to the domestic industry.

F. IMPOSITION OF DEFINITIVE ANTIDUMPING DUTIES

75. In view of the analysis and conclusions with regard to dumping, material injury, and causation, the Commission has decided to impose definitive antidumping duties on dumped imports of the investigated product from the Exporting Countries to remedy injury being caused to the domestic industry due to dumped imports in terms of Section 50 of the Act.

76. For the purpose of imposition of lesser duty rule in terms of Section 43 (1) of the Act the Commission has considered injury margin to see whether a lower duty would be adequate to remove injury of the domestic industry. The injury margin are given below:

Injury Margin

Country/Exporter Name	Injury Margin
Thailand	1.64
Brazil	35.93
China	43.55
Japan	39.10
Indonesia	
Indah Kiat	40.77
Pabrik Kertas	52.48
Pindo Deli	40.61
Andalan Kertas	35.21

77. The following table shows a comparison of antidumping duties determined in this final determination and injury margins:

Comparison of Antidumping Duties and Injury Margin

Exporter/ Producer	Definitive Antidumping Duty Rate	Injury Margin
Brazil		
• All exporters	42.80	35.93
China		
• All exporters	21.90	43.55
Indonesia		
• PT. Indah Kiat Pulp and Paper Tbk	10.62	40.77
• PT. Pabrik Kertas Tjiwi Kimia Tbk	10.62	52.48
• PT. Pindo Deli Pulp and Paper Mills	10.62	40.61
• PT. Riau Andalan Kertas	20.66	35.21
• PT. Riau Andalan Kertas	20.66	52.48
Japan		
• All exporters	50.39	39.10
Thailand		
• All exporters	14.25	1.64

78. It may be observed from the above that injury margins for Brazil, Japan and Thailand is lower than the definitive antidumping duties. Injury margin for China, and exporters / producers from Indonesia is higher than the definitive antidumping duties. Therefore, the anti-dumping duty rates for Brazil, Japan and Thailand will be equal to their injury margin, and for China and the exporters/producers from Thailand will be based the actual antidumping duties determined.

79. In reaching this Final determination the Commission satisfied itself that Certain Paper imported from the Exporting Countries has been imported at dumped prices. The Commission is of the view that the level of injury is sufficient to justify imposition of definitive measures. In order to prevent material injury, the Commission, pursuant to powers under Section 50 of the Act, has decided to impose definitive anti-dumping duty at the rates mentioned below on C&F value in ad valorem terms on imports of Certain Paper from the Exporting Countries for a period of five years effective from the date of publication of notice of final determination in the Official Gazette:

Exporter/ Producer	Antidumping Duty
	% of C&F Price
Brazil	
• All exporters	35.93
China	
• All exporters	21.90
Indonesia	
• PT. Indah Kiat Pulp and Paper Tbk	10.62
• PT. Pabrik Kertas Tjiwi Kimia Tbk	10.62

Final Determination in Anti-Dumping Investigation against Dumped Imports of Certain Uncoated Writing / Printing Paper into
Pakistan Exported from Brazil, China, Indonesia, Japan and Thailand

<ul style="list-style-type: none"> • PT. Pindo Deli Pulp and Paper Mills • PT. Riau Andalan Kertas • All others 	<p>10.62</p> <p>20.66</p> <p>20.66</p>
<p>Japan</p> <ul style="list-style-type: none"> • All exporters 	<p>39.10</p>
<p>Thailand</p> <ul style="list-style-type: none"> • All exporters 	<p>1.64</p>

80. In accordance with Section 51 of the Act, the definitive antidumping duty shall take the form of *ad valorem* duty and be held in a non-lapsable personal ledger account established and maintained by the Commission for the purpose. Release of the investigated product for free circulation in Pakistan shall be subject to imposition of such antidumping duty.

81. Definitive antidumping duty levied would be in addition to other taxes and duties leviable on import of the investigated product under any other law.

82. The definitive antidumping duties would be collected in the same manner as customs duty is collected under the Customs Act, 1969 (IV of 1969) and would be deposited in Commission's Non-lapsable PLD account No. 187 with Federal Treasury Office, Islamabad.

(Tipu Sultan)
Member
March 30, 2018

(Abdul Khaliq)
Chairman
March 30, 2018

(Robina Ather)
Member
March 30, 2018