



**Government of Pakistan
National Tariff Commission**

Report

On

**Final Determination and Levy of Anti-Dumping Duties against Dumped
Imports of Color Coated Steel Coils / Sheets Originating in and/or
Exported from the People's Republic of China & Republic of South Africa**

A.D.C No. 51/2017/NTC/CCC

June 11, 2018

TABLE OF CONTENTS

<u>S. No</u>	<u>Description</u>	<u>Page No.</u>
A.	PROCEDURE	4
5.	Receipt of Application	4
6.	Evaluation and Examination of the Application	5
7.	Domestic Industry	5
8.	Standing of the Application	5
9.	Applicants Views	6
10.	Exporter/Foreign Producer Involved in Dumping	6
11.	Initiation of Investigation	7
12.	Investigated Product, Like Product and Domestic Like Product	7
13.	Period of Investigation	9
14.	Information/Data Gathering	9
15.	Verification of information	14
16.	Public File	14
17.	Confidentiality	15
18.	Preliminary Determination	15
19.	Disclosure after Preliminary Determination	15
20.	Hearing	16
21.	Disclosure of essential facts	16
22.	Views/Comments of the interested parties	17
B	DETERMINATION OF DUMPING	
23.	Dumping	17
24.	Normal Value	17
25.	Export Price	18
26.	Dumping Determination	18
27.	Determination of Normal Value	19
28.	Determination of Export Price	22
29.	Dumping Margin	24
30.	Negligible Volume of Dumped Imports	24
C.	INJURY TO DOMESTIC INDUSTRY	
31.	Determination of Injury	27
32.	Domestic Industry	27
33.	Volume of Dumped Imports	28
34.	Price Effects	28
35.	Effects on Market Share	30
36.	Effects on Sales	31
37.	Effects on Production and Capacity Utilization	31
38.	Effects on Profits/Loss	31
39.	Effects on Inventories	32
40.	Effects on Employment, Productivity and Salaries & Wages	32

The National Tariff Commission (hereinafter referred to as the Commission) having regard to the Anti-Dumping Duties Act, 2015 (hereinafter referred to as the Act) and the Anti-Dumping Duties Rules, 2001 (hereinafter referred to as the Rules) relating to investigation and determination of dumping of goods into the Islamic Republic of Pakistan (hereinafter referred to as Pakistan), material injury to the domestic industry caused by such imports, and imposition of antidumping duties to offset the impact of such injurious dumping, and to ensure fair competition thereof and to the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (hereinafter referred to as the Agreement on Antidumping).

2. The Commission has conducted this investigation, on imports of on imports of Anti-dumping Investigation against dumping of Color Coated Steel Coils / Sheets (“Color Coated Coils/Sheets”) into Pakistan originating in and/or exported from the People's Republic of China and Republic of South Africa (the “Exporting Countries”) under the Act and the Rules. The Commission has made final determination in this investigation under Section 39 of the Act.

3. In terms of Section 39(1) of the Act, the Commission shall make a final determination of dumping and injury within one hundred and eighty days of publication of a notice of preliminary determination in the official Gazette. Notice of preliminary determination in this investigation was published in Official Gazette and in the newspapers on December 09, 2017. This report on final determination has been issued in accordance with Section 39 of the Act and Article 12.2 of the Agreement on Antidumping.

A. PROCEDURE

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

4. Receipt of Application

4.1 On April 10, 2017, the Commission received a written application under Section 20 of the Act from M/s. International Steels Limited (the “Applicant”) on behalf of the domestic industry manufacturing Color Coated Steel Coils/Sheets.

4.2 The Applicant alleged that Color Coated Steel Coils/Sheets are being exported to Pakistan at dumped prices from the Exporting Countries. According to the Applicant, dumped imports of Color Coated Coils/Sheets have caused and are causing material injury to Pakistan’s domestic industry producing Color Coated Coils/Sheets.

4.3 The Commission informed the Embassies of the Exporting Countries, in Islamabad through *note verbale* dated May 02, 2017, of the receipt of application in accordance with the requirements of Section 21 of the Act.

5. 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 Color Coated Steel Coils/Sheets into

Pakistan from the Exporting Countries and material injury as well as threat of 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.

6. The Domestic Industry

6.1 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” may mean the rest of the domestic producers”.

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”.

6.2 The domestic industry producing Color Coated Coils/Sheets consists of only one unit i.e. International Steels Limited and its production capacity of Color Coated Coils/Sheets during the period from January 01, 2016 to December 31, 2016 was 84,000 MT per annum. The Commission’s investigation revealed that neither the Applicant was itself importer of the investigated product, nor was related to any exporter, involved in dumping of the investigated product into Pakistan.

7. Standing of the Application

7.1 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.”

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.”

7.2 As per the information collected during the course of investigation, it has been determined that the application has been filed by the Applicant, who is the only producer of

Color Coated Coils/Sheets in Pakistan. According to the information provided in application, the Applicant produced 100 percent of the total domestic production of Color Coated Coils/Sheets during the period from January 01, 2016 to December 31, 2016. As the Applicant represents 100 percent of the total domestic production of like product produced during the period from January 01, 2016 to December 31, 2016, therefore, the application fulfills both the requirements of Section 24 of the Act.

8. Applicants' Views

8.1 The Applicant, *inter alia*, raised the following issues in application regarding dumping of Color Coated Steel Coils and Sheets and material injury to the domestic industry caused therefrom:

- i. Color Coated Steel Coils and Sheets imported from the Exporting Countries into Pakistan and that is produced in Pakistan by the domestic industry are like products;
- ii. Exporters/producers from the Exporting Countries are exporting Color Coated Steel Coils and Sheets to Pakistan at dumped prices; and
- iii. Exports of Color Coated Steel Coils and Sheets 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 Color Coated Steel Coils and Sheets mainly through:-
 - a. Volume of dumped imports
 - b. Price undercutting;
 - c. Price depression;
 - d. Negative effect on market share;
 - e. Negative effect on capacity utilization;
 - f. Negative effect on salaries and wages;
 - g. Negative effect on cash flow;
 - h. Negative effect on ability to raise capital; and
 - i. Magnitude of dumping margin
- iv. The Applicant also claimed that there is an imminent threat of material injury to the domestic industry manufacturing Color Coated Steel Coils and Sheets due to dumped imports of Color Coated Steel Coils and Sheets from the Exporting Countries.

8.2 The Applicant requested the Commission to address the injury caused to the domestic industry which is evident from the above mentioned factors, by initiation of an anti-dumping investigation against dumped imports of Color Coated Steel Coils from the Exporting Countries and imposition of anti-dumping duties on these imports. It was also requested that provisional anti-dumping measures may be imposed to prevent injury being caused during the course of investigation.

9. Exporter(s)/Producer(s) Involved in Dumping.

9.1 The Applicant identified 15 exporters/producers involved in dumping of the investigated product from the Exporting Countries. The Applicant stated that there may be other exporters/foreign producers of the investigated product, which are not known to it. 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 duty on all imports of the investigated product originating in and/or exported from the Exporting Countries.

10. Initiation of Investigation

10.1 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 dumping of Color Coated Coils/Sheets into Pakistan from the Exporting Countries and consequent material injury as well as threat of 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 June 10, 2017. Investigation concerning dumped imports of Color Coated Coils/Sheets into Pakistan originating in and/or exported from the Exporting Countries was thus initiated on June 10, 2017.

10.2 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 June 13, 2017 with a request to forward it to all exporters/producers involved in production, sales and export of Color Coated Coils/Sheets from the Exporting Countries. Copy of the notice of initiation was sent on June 13, 2017 to the known exporters/producers of Color Coated Coils/Sheets from the Exporting Countries whose addresses were available with the Commission and also sent to known Pakistani importers and the Applicant.

10.3 In accordance with Section 28 of the Act, on July 05, 2017 the Commission sent copy of full text of the written application (non-confidential version) and Exporter's Questionnaire to the exporters/producers of Color Coated Coils/Sheets from the Exporting Countries. On July 05, 2017, 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/foreign producers involved in production and/or sale/export of Color Coated Coils/Sheets from The Exporting Countries. The Importer's Questionnaire was also sent to the importers of Color Coated Coils/Sheets on July 05, 2017.

11. Investigated Product, Domestic Like Product and Like Product

11.1 Section 2 of the Act defines "investigated product" (IP), domestic like product and like product as follows:

¹ The official Gazette of Pakistan (Extraordinary) dated June 10, 2017.

²The 'Daily Dunya' and 'Express Tribune' of June 10, 2017 issue.

- 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”.

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

12 Investigated Product

12.1.1 The investigated product as defined in notice of initiation is Color Coated Steel Coils/Sheets imported from the Exporting Countries. The investigated product has large number of end-use applications for the purpose of agriculture, construction, packing/drum, railway coaches, furniture & fixtures, Billboards, Sign-boards, hoardings, road signs and others. At the time of the initiation of the investigation, the Commission defined the investigated product falling under following Pakistan Customs Tariff Heading Nos;

Table-I

PCT No	Description
7210.7010	Flat-rolled products of iron or non-alloy steel of a width of 600 mm or more; clad, plated or coated, Painted, varnished or coated with plastics; VCM or PCM coated sheets of a thickness (excluding any coating) not exceeding 0.5 mm
7210.7020	Flat-rolled products of iron or non-alloy steel of a width of 600 mm or more; clad, plated or coated - Painted, varnished or coated with plastics; secondary quality
7210.7090	Flat-rolled products of iron or non-alloy steel of a width of 600 mm or more; clad, plated or coated - Painted, varnished or coated with plastics; Other
7212.4010	Flat rolled products of iron or non-iron alloy steel, of a width of less than 600 mm; painted, varnished or coated with plastics; of secondary quality
7212.4090	Flat rolled products of iron or non-iron alloy steel, of a width of less than 600 mm; painted, varnished or coated with plastics; Other

12.1.2 During the Course of investigation, the domestic user/importers pointed out that Applicant industry is not manufacturing PCM/VCM coated coils/sheets which falls under PCT code 7210.7010. Further, it was also claimed by the users/importers that domestic industry is not capable to produce color coated coils/sheets below thickness of 0.4 mm. While verifying the claim of domestic users/importers of the investigated product and specifications and variants of the domestic like product produced by the Applicant from the records kept at its office and plant during the on the spot verification visit, it was found that during the POI Applicant did not

produce PCM/VCM coated coils/sheets which falls under PCT code 7210.7010 and it can only produce color coated coils/sheets above thickness of 0.23 mm.

12.1.3 Accordingly, while making preliminary determination in this investigation, the Commission revisited the scope of the investigated product and defined the investigated product as Color Coated Coils/Sheets above thickness of 0.23 mm imported from the Exporting Countries classified under following Pakistan Customs Tariff Heading Nos;

Table-II

PCT No	Description
7210.7020	Flat-rolled products of iron or non-alloy steel of a width of 600 mm or more; clad, plated or coated - Painted, varnished or coated with plastics; secondary quality
7210.7090	Flat-rolled products of iron or non-alloy steel of a width of 600 mm or more; clad, plated or coated - Painted, varnished or coated with plastics; Other
7212.4010	Flat rolled products of iron or non-iron alloy steel, of a width of less than 600 mm; painted, varnished or coated with plastics; of secondary quality
7212.4090	Flat rolled products of iron or non-iron alloy steel, of a width of less than 600 mm; painted, varnished or coated with plastics; Other

12.1.4 The tariff structure during year 2018-19 applicable to the investigated product is given in the table III below;

**Table-III
Tariff Structure**

PCT No	Description	Customs Duty	Regulatory Duty	Sales Tax
7210.7020	Flat-rolled products of iron or non-alloy steel of a width of 600 mm or more; clad, plated or coated - Painted, varnished or coated with plastics; secondary quality	20%	5%	17%
7210.7090	Flat-rolled products of iron or non-alloy steel of a width of 600 mm or more; clad, plated or coated - Painted, varnished or coated with plastics; Other	11%	5%	17%
7212.4010	Flat rolled products of iron or non-iron alloy steel, of a width of less than 600 mm; painted, varnished or coated with plastics; of secondary quality	20%	---	17%
7212.4090	Flat rolled products of iron or non-iron alloy steel, of a width of less than 600 mm; painted, varnished or coated with plastics; Other	11%	---	17%

12.2 Domestic Like Product

12.2.1 The “domestic like product” is Color Coated Steel Coils/Sheets (the “Domestic Like Product”). The domestic like product falls under PCT Nos. 7210.7020, 7210.7090, 7212.4010 and 7212.4090. The domestic like product has large number of end-use applications for the purpose of

agriculture, construction, packing/drums, railway coaches, furniture & fixtures, Billboards, Sign-boards, hoardings, road signs and others.

12.3 **Like Product:**

12.3.1 The “like product” is Color Coated Steel Coils/Sheets, produced and sold by the exporters/foreign producers of Color Coated Steel Coils/Sheets of the Exporting Countries in their domestic market and export markets to countries other than Pakistan. The like product has large number of end-use applications for the purpose of agriculture, construction, packing/drums, railway coaches, furniture & fixtures, Billboards, Sign-boards, hoardings, road signs and others. Major uses of the like product are, therefore, identical to those of the investigated product and domestic like product.

12.3.2 The investigated product, the domestic like product and the like product are comparable in terms of physical and chemical characteristics, product specifications, chemical formulation, end uses and tariff classification of the goods etc. Investigated product, the domestic like product and the like product are technically and commercially identical.

12.3.3 In light of the above, the Commission has determined that the “**investigated product**”, the “**domestic like product**” and the “**like product**” are alike products.

13. **Period of Investigation ("POI")**

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

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

ii. *“for the purposes of an investigation of injury, the investigation period shall normally cover thirty-six months:*

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

13.2 The Commission received the application on April 10, 2017 and initiated the investigation on June 10, 2017. Therefore, to fulfill the requirement of Section 36 of the Act, the POI selected by the Commission for determination of dumping and injury are, as follows:

For determination of dumping	From January 01, 2016 to December 31, 2016
For determination of injury	From January 01, 2014 to December 31, 2016

14. Information/Data Gathering

14.1 The Commission sent Exporter's Questionnaire to all known exporters/producers from the Exporting Countries whom addresses were available with the Commission on July 5, 2017 for collection of data/information. The exporters/producers were asked to respond within 37 days of dispatch of the Questionnaire. On July 5, 2017, the 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 their countries.

14.2 The Commission's request for supplying information on the prescribed Exporter's Questionnaire was responded by 14 exporters/producers from China with the request for extension in time period (beyond 37 days) for submission of information. After taking into account the due cause shown by these exporters/producers in their requests, the Commission acceded to the requests and granted extension in time period for submission of information on Exporter's Questionnaire till August 20, 2017. However, no response was received from any exporter/producer from the South Africa.

14.3 The Commission received filled-in Exporter's Questionnaires from the following 14 exporters/producers from China after the expiration of extended time;

- i. Hebei Yanbo Color Coated Sheet Co., Ltd (Producer/Exporter)
- ii. Zhejiang Huada New Material Co., Ltd (Producer/Exporter)
- iii. Hangzhou Jurui Steel Co., Ltd (Producer/Exporter)
- iv. Shandong Huijin Color Steel Co., Ltd (Producer)
Shandong Kenod Steel Co., Ltd (Exporter)
- v. Jiangyin Zongcheng Steel Co., Ltd (Producer/Exporter)
- vi. Shandong Huaye Industry & Trade Co., Ltd (Producer)
Shandong Gengxiang Import And Export Trade Co., Ltd (Exporter)
- vii. Hangzhou Puyin Metal Material Co., Ltd (Producer)
Hangzhou Puyin Industrial Co., Ltd. (Exporter)
- viii. Binzhou Yongguang Industry And Trade Co., Ltd (Producer)
Suzhou Yogiand Trading Co., Ltd. (Exporter)
- ix. Shandong Hwafone Steel Co., Ltd (Producer)
Shandong Yunfeng Steel & Iron Co., Ltd (Exporter)
- x. Shandong Ye Hui Coated Steel Co., Ltd (Producer)
Shandong Boxing Ying Xiang International Trade Co., Ltd (Exporter)
- xi. Hefei HBIS New Material Technology Co., Ltd. (Producer/Exporter of PCM/VCM coated coils/sheets)
- xii. Qingdao HBIS Composite New Material Technology Co., Ltd (PCM/VCM coated coils/sheets)
- xiii. Zhejiang Xiaojin Outong Color Coated Sheet Co., Ltd (Producer)
Shanghai Xiaojin Industrial Co., Ltd (Exporter)
- xiv. Shandong Star Steel Sheet Co., Ltd (Producer)
Shandong Chambroad Holding Co., Ltd (Exporter)

14.4 The exporter/producer mentioned at serial xi and xii of Paragraph 13 are not considered in this investigation due to change in the scope of the investigated product as PCM/VCM Color Coated Coil/sheet has been excluded from the scope of the investigated product.

14.5 Due to large number of exporter/producers from China, the Commission decided to limit the number of exporters/producers from China for detailed examination on the basis of volume of exports. The Commission selected 3 exporters/producers from China on the basis of highest import in terms of Section 14 of the Act after the consultation with the cooperating exporters/producers from China under Section 14 (3) of the Act. Following are the selected exporters/producers from China for detailed examination in this investigation;

- i. Hebei Yanbo Color Coated Sheet Co., Ltd (“Yanbo”)
- ii. Zhejiang Huada New Material Co., Ltd (“Huada”)
- iii. Hangzhou Jurui Steel Co., Ltd (“Jurui”)

14.6 Upon examination of the information received from these 3 exporters/ producers which were selected for detailed examination, certain deficiencies were found in the information supplied. These deficiencies were communicated to the exporters/ foreign producers and were requested to supply the deficient information. Further details are given at paragraph 15.

14.7 On July 5, 2017 Questionnaires were also sent to known Pakistani importers of the investigated product known to the Commission and these importers were asked to respond within 37 days of dispatch of the Questionnaires. In response to the questionnaire, following three importers have submitted data/information on prescribed questionnaire;

- i. Tahir Steel Impex
- ii. HNR Company (Pvt.) Ltd.
- iii. Gillani Services

14.8 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. The Commission received comments /information from the interested parties.

14.9 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/foreign producers.

14.10 Thus, the Commission has sought from all available sources the relevant data and information deemed necessary for the purposes of this investigation.

15. Questionnaire(s) Response by Exporters/Foreign Producers from China:

15.1 Questionnaire Response By Hebei Yanbo Color Coated Sheet Co., Ltd

15.1.1 The Commission sent the Exporter's Questionnaire to Hebei Yanbo Color Coated Sheet Co., Ltd (hereinafter referred to as "Yanbo") on July 5, 2017. Yanbo applied to the Commission in its email dated August 1, 2017 for extension of time period for submission of response to questionnaire for two weeks. The Commission granted the extension vide its email dated August 4, 2017 after considering the reasons given in the request for extension. Its response was received in the Commission on August 20, 2017.

15.1.2 According to the information provided in response to the questionnaire, Yanbo is a limited liability company established on August 28, 2009. It has been engaged in the manufacture, sale and export of Color Coated Steel Coils/Sheets to Pakistan as well as to other countries and in its domestic market during the POI.

15.1.3 The information submitted by Yanbo in response to the questionnaire was analyzed at the Commission and certain deficiencies were identified. Accordingly, those data deficiencies were communicated to it vide the Commission's email dated November 15, 2017.

15.1.4 Yanbo was asked to provide the deficient information/data no later than 5 days of issuance of the letter, so as to enable the Commission to consider and analyze the same for the purposes of this investigation. Yanbo responded to the deficiencies vide its email dated November 20, 2017.

15.2 Questionnaire Response by Zhejiang Huada New Material Co., Ltd

15.2.1 The Commission sent the Exporter's Questionnaire to Zhejiang Huada New Material Co., Ltd (hereinafter referred to as "Huada") on July 5, 2017. Huada applied to the Commission in its email dated August 1, 2017 for extension of time period for submission of response to questionnaire for two weeks. The Commission granted the extension vide its email dated August 4, 2017 after considering the reasons given in the request for extension. Its response was received in the Commission on August 20, 2017.

15.2.2 According to the information provided in response to the questionnaire, Huada is a company limited by shares. It has been engaged in the manufacture, sale and export of Color Coated Steel Coils/Sheets to Pakistan as well as to other countries and in its domestic market during the POI.

15.2.3 The information submitted by Huada in response to the questionnaire was analyzed at the Commission and certain deficiencies were identified. Accordingly, those data deficiencies were communicated to it vide the Commission's email dated November 15, 2017.

15.2.4 Yanbo was asked to provide the deficient information/data no later than 5 days of issuance of the letter, so as to enable the Commission to consider and analyze the same for the purposes of this investigation. Huada responded to the deficiencies vide its email dated November 23, 2017.

15.3 Questionnaire Response by Hangzhou Jurui Steel Co., Ltd

15.3.1 The Commission sent the Exporter's Questionnaire to Hangzhou Jurui Steel Co., Ltd (hereinafter referred to as "Jurui") on July 5, 2017. Jurui applied to the Commission in its email dated August 1, 2017 for extension of time period for submission of response to questionnaire for two weeks. The Commission granted the extension vide its email dated August 4, 2017 after considering the reasons given in the request for extension. Its response was received in the Commission on August 20, 2017.

15.3.2 According to the information provided in response to the questionnaire, Jurui is a limited liability company. It has been engaged in the manufacture, sale and export of Color Coated Steel Coils/Sheets to Pakistan as well as to other countries and in its domestic market during the POI.

15.3.3 The information submitted by Jurui in response to the questionnaire was analyzed at the Commission and certain deficiencies were identified. Accordingly, those data deficiencies were communicated to it vide the Commission's email dated November 15, 2017.

15.3.4 Jurui was asked to provide the deficient information/data no later than 5 days of issuance of the letter, so as to enable the Commission to consider and analyze the same for the purposes of this investigation. Jurui responded to the deficiencies vide its email dated November 23, 2017.

16. Verification of the Information

16.1 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 August 28, 2017 to August 30, 2017. The report of On-the-Spot Investigation conducted at the office of Applicant is placed in the Public File.

16.2 In order to verify information/data provided by the Exporters/Producers from China and to obtain further information (if any), officers of the Commission conducted On-the-Spot Investigation at the offices of Exporters/Producers from China from January 29, 2018 to February 8, 2018. The reports of On-the-Spot Investigation conducted at the offices of exporters / producers from China are also placed in the Public File.

17. 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. This file contains non-confidential versions of the application, submissions, notices, correspondence, preliminary determination, reports of on-the-spot investigation, record note of hearing and other documents for disclosure to the interested parties.

18. Confidentiality

18.1 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.

18.2 The Applicant and interested parties have 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. The Applicant has submitted non-confidential summaries of the confidential information in accordance with Section 31(5) of the Act. Non-confidential summaries permit a reasonable understanding of the information submitted in confidence.

18.3 On the basis of request made by the Applicant and interested parties, 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. Therefore, the Commission kept all such information confidential for which the Applicant made a request to keep it confidential.

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

19. Preliminary Determination

19.1 The Commission made a preliminary determination in this investigation on December 09, 2017 and in terms of Section 37 of the Act, the Commission issued a notice of preliminary determination ("notice of preliminary determination") which was published on December 10, 2017 in official Gazette of Pakistan and in two widely circulated national newspapers (one English ("The News") and one Urdu Language ("Daily Dunya") notifying preliminary determination. In accordance with provisions of Section 43 of the Act, the Commission decided not to impose provisional measures:

19.2 The Commission sent copy of the notice of preliminary determination to all registered interested parties and the same along with non-confidential version of the report of the preliminary determination was posted on the official website of the Commission.

20. Disclosure Meetings after Preliminary Determination

20.1 In terms of Rule 11 of the Rules, the Commission, upon request made by exporters/foreign 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 exporter/producer. 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.

20.2 In response to the notice of preliminary determination the exporters/producers for whom individual dumping margin/injury margin was calculated in the investigation requested for

provision of disclosure of dumping calculation. The Commission accordingly provided them with the disclosure documents explaining dumping calculation methodology applied for those exporter/producers.

21. Hearing

In response to notice of preliminary determination dated December 09, 2017 the interested parties requested for a hearing in this investigation in accordance with Rule 14 of the Rules. A hearing was held in the Commission on March 20, 2018 to obtain the views/comments of the interested parties. The information submitted by the participants during the hearing and record note of the hearing prepared by the Commission are available in the public file for review and copy of the interested parties.

22. Disclosure of Essential Facts

22.1 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 May 8, 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.

22.2 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 interested parties have submitted their comments on SEF, which have been considered by the Commission while making the final determination in this investigation as far as possible. Following interested parties submitted their comments on the SEF;

- CRYSTAL Enterprise, Karachi
- Progressive Steel Decorators, Karachi
- Hanif Brothers, Karachi
- G.S. Steel, Karachi
- Zubair Steel, Karachi
- Steel Centre, Karachi
- Metal Global Corporation, Karachi
- Karachi Iron & Steel Merchants Association (KISMA), Karachi
- Pakistan Iron & Steel Merchant's Association (PISMA), Karachi
- Tahir Steel Impex, Karachi
- Kashif Trading Corporation, Karachi
- Naveed Trading Corporation, Karachi
- Qingdao HBIS Composite New Material Technology Co., Ltd
- Shandong Huaye Industry & Trade Co., Ltd.
- The Applicant

22.3 Comments received on SEF and germane to this investigation under the Act and replies/comments of the Commission are attached at Annexure-I to this report.

23. Views/Comments of Interested Parties

23.1 In notice of initiation dated June 10, 2017 All interested parties were invited to make their views/comments known to the Commission and to submit information and documents (if any) with regard to this investigation. The Commission has received written submissions/comments from interested parties during the course of investigation which have been considered by the Commission while making the final determination in this investigation as far as possible.

23.2 Comments received and germane to this investigation under the Act and replies/comments of the Commission are attached at Annexure-I to this report.

B. DETERMINATION OF DUMPING

24. Dumping

24.1 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”.

25. Normal Value

25.1 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”.

25.2 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.”.

25.3 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.”

26. Export Price

26.1 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”.

27. Dumping Determination

27.1 As stated earlier the Applicant identified fifteen (15) exporters/ producers from the Exporting Countries involved in dumping of the investigated product. The Commission sent Exporter’s Questionnaire to all known exporters/producers from the Exporting Countries on July 5, 2017 for collection of data and information. Questionnaire was also provided to the respective Embassies of the Exporting Countries in Islamabad with a request to forward it to all exporters/producers of the investigated product based in their country to submit information to the Commission.

27.2 Fourteen exporters/producers of investigated product from China provided information in response to the questionnaire as mentioned above and no exporters/producers from South Africa provided information in response to the questionnaire.

27.3 The Commission has limited its examination to only three exporters/producers from China after consultations with the cooperating exporters/producers from China under Section 14 (3) of the Act namely, Yanbo, Huada and Jurui as the Commission is satisfied in terms of Section 14(3) of the Act that the number of the exporters/producers involved is so large as it is impracticable to determine an individual dumping margin of all exporters/producers who have responded to the Commission.

27.4 The Commission has determined individual dumping margins for the selected three exporters /producers i.e. Yanbo, Huada and Jurui. In terms of Section 50(3) of the Act, dumping margin for the cooperating exporters/producers who were not selected in the sample from China is determined on the basis on the weighted average of dumping margin of the selected three exporters /producers i.e. Yanbo, Huada and Jurui. However, a residual dumping margin has been determined for all other exporters/producers of the Exporting Countries.

27.5 Normal value, export price and individual dumping margins for the above-mentioned exporters/producers from the Exporting Countries have been determined in accordance with Part III, IV and V of the Act on the basis of the information provided by them and verified during on the spot verification.

28. Determination of Normal Value

28.1 The Commission received information on domestic sales and cost of production etc. of the like product from fourteen (14) exporters/producers from China in response to the questionnaire and no exporters/producers from South Africa provided information in response to the questionnaire.

28.2 The information submitted by exporters/producers, selected for detailed examination from China namely Yanbo, Huada and Jurui, has been used for determination of normal value as discussed below. Normal value for other non-cooperating exporters/producers of investigated product from the Exporting Countries has been determined on the basis of best information available in accordance with Section 32 and Schedule to the Act.

28.3. Determination of Normal Value for Yanbo

28.3.1 Normal value for Yanbo has been determined on the basis of the information provided by it on its domestic sales and cost to make and sell during the POI.

28.3.2 According to the information, Yanbo sold like product in its domestic market during the POI. Section 7 of the Act requires the Commission to determine ordinary course of trade for domestic sales to determine normal value. Investigation has revealed that out of total sales, 71% sales were at loss while 29% sales were profitable sales. Below costs sales were in substantial quantities in terms of Section 7(2) of the Act. Thus, in determination of normal value for the investigated product, the Commission disregarded sales which were not in the ordinary course of trade in accordance with provisions of Section 7 of the Act. The sales which were in ordinary course of trade are in sufficient quantities to determine normal value in terms of Section 6(2) of the Act, as these are more than 5 percent of the export sales of the investigated product exported by it to Pakistan during the POI.

28.3.4 During the POI, Yanbo sold like product in its domestic market at ex works basis. To arrive at the ex-factory price, Yanbo has not claimed any adjustment. Summary calculation of normal value for Yanbo is placed at Annexure-II.

28.4. Determination of Normal Value for Huada

28.4.1 Normal value for Huada has been determined on the basis of the information provided by it on its domestic sales and cost to make and sell during the POI.

28.4.2 According to the information, Huada sold like product in its domestic market during the POI. Section 7 of the Act requires the Commission to determine ordinary course of trade for domestic sales to determine normal value. Investigation has revealed that out of total sales, 31% sales were at loss while 69% sales were profitable sales during the POI. Below costs sales were in substantial quantities in terms of Section 7(2) of the Act. Thus, in determination of normal value for the investigated product, the Commission disregarded sales which were not in ordinary course of trade in accordance with provisions of Section 7 of the Act. The sales which were in ordinary course of trade are in sufficient quantities to determine normal value in terms of Section 6(2) of the Act, as these are more than 5 percent of the export sales of the investigated product exported by it to Pakistan during the POI.

28.4.3 During the POI, Huada sold like product in its domestic market at ex works basis during the POI. To arrive at the ex-factory price, Huada has not claimed any adjustment. Summary calculation of normal value for Huada is placed at Annexure-III.

28.5. Determination of Normal Value for Jurui

28.5.1 Normal value for Jurui has been determined on the basis of the information provided by it on its domestic sales and cost to make and sell during the POI.

28.5.2 Jurui sold like product in its domestic market during the POI. Section 7 of the Act requires the Commission to determine ordinary course of trade for domestic sales to determine normal value. Investigation has revealed that out of total sales, 84% sales were at loss while 16% sales were profitable sales. Below costs sales were in substantial quantities in terms of Section 7(2) of the Act. Thus, in determination of normal value for the investigated product, the Commission disregarded sales which were not in ordinary course of trade in accordance with provisions of Section 7 of the Act. The sales which were in ordinary course of trade are in sufficient quantities to determine normal value in terms of Section 6(2) of the Act, as these are more than 5 percent of the export sales of the investigated product exported by it to Pakistan during the POI.

28.5.3 During the POI, Jurui sold like product in its domestic market at ex works basis. To arrive at the ex-factory price, Jurui has claimed no adjustment. Summary calculation of normal value for Jurui is placed at Annexure-IV.

28.6 Determination of Normal Value for all other exporters/producers from Exporting Countries

28.6.1 The Commission has determined normal value for all others non-cooperating exporters/producers from the Exporting Countries on the basis of Best Information Available in accordance with Section 32 of the Act.

28.6.2 As no exporter/ producer of the investigated product from South Africa has provided

information on domestic sales of the investigated product, therefore, normal value has been determined on the basis of Best Information Available with the Commission. The Commission has constructed normal value on the basis of the cost of production in South Africa 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. For raw material costs, the C&F price of imported raw materials and locally purchased raw materials of the Applicant had been adjusted appropriately to the factory cost by deducting estimated ocean freight and inland freight.
- 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 Colour Coated coils/sheets have been multiplied by labor rate applicable in South Africa to arrive at salaries and wages cost for construction of normal value.
- iv. Per unit consumption of other overheads (electricity, fuel/gas etc.) of the Applicant is multiplied with electricity/fuel/gas rates prevailing in The South Africa to arrive at overheads cost in construction of normal value.
- v. Selling and admin expenses of the Applicant are taken same 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 South Africa and Pakistan.
- vii. The Applicant has considered 5 percent profit margin as reasonable profit for this industry. Therefore, profit mark up of 5% has been applied on cost to make & sell to reach at constructed normal value for the investigated product.
- viii. Since the normal value has been constructed for the prime quality product whereas the imports from South Africa are of secondary quality. Therefore, to be more realistic, the constructed normal value has been deflated by 25%.

28.7.2 The constructed normal value for the investigated product on the above mentioned basis works out to US\$ ****.

29. Determination of Export Price

29.1 The Commission received information on export sales of the investigated product from fourteen (14) exporters/producers from China in response to the questionnaires and no exporters/producers from South Africa provided information in response to the questionnaire. The information submitted by exporters/producers selected for detailed examination from China namely Yanbo, Huada and Jurui has been used for determination of export price as discussed below. Export price for non-cooperating exporters/producers of investigated product from the Exporting Countries has been determined on the basis of Best Information Available in accordance with Section 32 and Schedule to the Act.

29.3 Determination of Export Price for Yanbo

29.3.1 Export price for Yanbo is determined on the basis of the information provided by it on its export sales of the investigated product to Pakistan made during the POI.

29.3.2 According to the information, Yanbo exported the investigated product to Pakistan during the POI. All export sales to Pakistan, during the POI, were made to un-related customers.

29.3.3 During the POI, Yanbo exported investigated product mostly on LC at sight at CFR level. To arrive at the ex-factory level, it has reported adjustments on account of inland freight, ocean freight, bank charges, and handling charges.

29.3.4 During the POI, payment terms were LC at sight, on average Yanbo received payment after 30 days. Accordingly, an adjustment on account of credit cost is made by the Commission in export price. Further, the VAT paid by the Yanbo on purchase of raw material is 17%. However on the export of color coated coils/sheets, only 13% VAT is refunded as per Chinese Customs Law. Accordingly, the export price has been adjusted for 4% unrefunded VAT.

29.3.5 The export price at ex-factory level is worked out by deducting values reported for adjustments from the gross value of sales transactions. Summary calculation of export price for Yanbo is placed at Annexure-VI.

29.4 Determination of Export Price for Huada

29.4.1 Export price for Huada is determined on the basis of the information provided by it on its export sales of the investigated product to Pakistan made during the POI.

29.4.2 According to the information, Huada exported the investigated product to Pakistan during the POI. All export sales to Pakistan, during the POI, were made to un-related customers.

29.4.3 During the POI, Huada exported investigated product mostly on LC at sight at CIF level. To arrive at the ex-factory level, it has reported adjustments on account of inland freight, ocean freight, insurance, bank charges, and handling charges.

29.4.5 During the POI, where payment terms were LC at sight however on average Huada received payment after 20 days. Accordingly, an adjustment on account of credit cost is made by

the Commission in export price. Further, the VAT paid by the Huada on purchase of raw material is 17%. However on the export of color coated coils/sheets, only 13% VAT is refunded as per Chinese Customs Law. Accordingly, the export price has been adjusted for 4% unrefunded VAT.

29.4.6 The export price at ex-factory level is worked out by deducting values reported for adjustments from the gross value of sales transactions. Summary calculation of export price for Huada is placed at Annexure-VII.

29.5 Determination of Export Price for Jurui

29.5.1 Export price for Jurui is determined on the basis of the information provided by it on its export sales of the investigated product to Pakistan made during the POI.

29.5.2 According to the information, Jurui exported the investigated product to Pakistan during the POI. All export sales to Pakistan, during the POI, were made to un-related customers.

29.5.3 During the POI, Jurui exported investigated product mostly on LC at sight at CFR level. To arrive at the ex-factory level, it has reported adjustments on account of inland freight, ocean freight, bank charges, and handling charges.

29.5.4 During the POI, where payment terms were LC at sight, on average however Jurui received payment after 20 days. Accordingly, an adjustment on account of credit cost was made by the Commission in export price. Further, the VAT paid by the Jurui on purchase of raw material is 17%. However on the export of color coated coils/sheets, only 13% VAT is refunded as per Chinese Customs Law. Accordingly, the export price would have been adjusted for 4% unrefunded VAT.

29.5.5 The export price at ex-factory level is worked out by deducting values reported for adjustments from the gross value of sales transactions. Summary calculation of export price for Jurui is placed at Annexure-VIII.

29.6 Determination of Export Price for All Other Exporters/Producers from the Exporting Countries

29.6.1 The Commission has determined export price for all others non-cooperating exporters/producers from the Exporting Countries on the basis of on the basis of Best Information Available in accordance with Section 32 of the Act.

29.6.2 As no exporter/ producer of the investigated product from South Africa has provided information on its exports of the investigated product, therefore, export price has been determined on the basis of best information available with the Commission. For this purpose information obtained from PRAL on imports of the investigated product from South Africa during the POI is used. 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 ocean freight, inland freight and insurance cost. For the amounts of these adjustments, the information provided by the Domestic

Industry, in the Application has been used. Following adjustments have been made to reach at ex-factory price from South Africa:

Table-IV
Adjustments in Export Price

Sr. No	Charges	Ocean Freight	Inland Freight	Insurance 0.9% of C&F	Total
2	South Africa	72.99	26.07	0.94	100.00

Note: For the purpose of confidentiality, actual figures have been indexed with respect to total adjustment figure.

29.6.4 After making the above-adjustments the Commission reached ex-factory export price of the investigated product:

Table-V
Ex-Factory Export Price

S No.	Country	W.Avg. C&F Export Price	Ocean & Internal Freight plus Insurance of C&F	Ex-Factory Export Price
2	South Africa	110.79	10.72	100.00

Note: For the purpose of confidentiality, actual figures have been indexed with respect Ex-Factory price figure.

30. Dumping Margin

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

30.2 In terms of Section 14(1) of the Act the Commission shall determine an individual dumping margin for each known exporter or foreign producer of an investigated product. In this investigation, the Commission has determined individual dumping margins for the selected three exporters /producers i.e. Yanbo, Huada and Jurui from China. For all other non-cooperating exporters/producers from China residual duty rate has been determined as the highest dumping margin for the exporters selected for detailed investigation of C&F value. Further, A residual dumping margin has been determined all exporters/producers from the South Africa on the basis of Best Information Available in accordance with Section 32 of the Act and Article 6.8 and Annex II of the Agreement on Anti-dumping.

30.3 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.

30.4 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*”.

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

**Table-VI
Dumping Margins**

Exporters / Producers	Dumping Margin as	
	% of Export Price	% of C& F Price
China: Exporters/Producers selected for Detailed Examination:		
• Hebei Yanbo Color Coated Sheet Co., Ltd	6.09	5.36
• Zhejiang Huada New Material Co., Ltd	6.68	6.03
• Hangzhou Jurui Steel Co., Ltd	12.31	10.88
All Other exporters/producers from China		10.88
South Korea • All exporters	15.78	14.24

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

31.1 Section 41(3) states that the dumping margin shall be considered to be negligible if it is less than two percent, expressed as a percentage of the export price. Definitive dumping margins for the dumped imports of the investigated product, set out above, appear to be above negligible (*de minimis*) level.

31.2 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.

31.3 The information/data on dumped imports of the investigated product and other imports of Color Coated Coils/Sheets has been obtained from PRAL. Volume of dumped imports of the Color Coated Coils/Sheets imported from the Exporting Countries and other sources during the year 2016 i.e. from January to December is given in the table below:

**Table-VII
Volume of Imports of Color Coated Coils/Sheets during Year 2016**

Country	Volume of Imports %age
China	87.95
South Africa	4.21
Other Sources	7.84
Total	100.00

Source: PRAL

31.4 It appears from the above table that the volume of dumped imports of the investigated product from the Exporting Countries is above the negligible threshold set out in Section 41(3) of the Act.

32. Cumulation of Dumped Imports

32.1 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 Act, 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 in clause (a) of sub-section (3) of section 41, and volume of dumped imports from each investigated country is not less than the negligible quantity as specified in clause (b) of sub-section (3) of section 41; 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”.*

32.2 Analysis of the import data has revealed that the volume of dumped imports during the POI from the exporting countries was above the negligible quantity (less than 3 percent of total imports of the said product). Furthermore, the range of dumping margins for each country was also more than the *de-minimis* amount (less than 2 percent of export price).

32.3 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
China (Prime Quality)	100.00
China (Secondary Quality)	88.20
South Africa (Secondary Quality)	83.74

Source: PRAL import data

Note: To maintain confidentiality actual figures have been indexed with respect of weighted average C&F export price (price of prime quality Color Coated Coils/Sheets from China) from dumped sources during POI by taking it equal to 100.

32.4 There is a competition between investigated product and the domestic like product in terms of price as given in the following table:

34.2 The Applicant produced 100 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 any exporter, involved in dumping of the investigated product into Pakistan. Analysis of injury factors carried out in this determination in the following paragraphs is, therefore, based on the information submitted by Applicant.

34.3 As the Applicant started commercial production of domestic like product in first quarter of year 2015, therefore analysis of injury factors except for volume of dumped imports in the following paragraphs has been analyzed for two years i.e. year 2015 and 2016 of POI.

35. Volume of Dumped Imports

Facts:

35.1 With regard to the volume of dumped imports, in terms of Section 15(2) of the Act it is considered whether there has been a significant increase in dumped imports of the investigated product, either in absolute terms or relative to the consumption or production. Following table shows the imports of the investigated product and its relation with imports from other sources and domestic consumption during the POI:

Table-X
Volume of Dumped Imports (MT)

Year*	Imports from:		Total Imports	Dumped Imports as %age of	
	Dumped sources	Other Sources		Total Imports	Domestic Consumption
2014	74.92	25.08	100.00	74.92	74.91
2015	217.01	29.17	246.17	88.15	75.00
2016	558.04	47.50	605.54	92.16	83.23

Year: from January to December.

Sources: the Applicant & PRAL.

Note: For the purpose of confidentiality, the actual figures have been indexed w.r.t total imports during year 2014.

Analysis:

33.2 It appears from the above table that dumped imports of the investigated product increased in absolute terms as well as relative to domestic consumption during the POI. Dumped imports which were *** MT during year 2014 increased to *** MT (189%) during the year 2015 and further increase to a level of *** MT (157%) during year 2016. Dumped imports of the investigated product were 74.91 percent of the domestic consumption during 2014, which increased to 75.00 percent and 83.23 percent in the year 2015 and 2016 respectively.

36. Price Effects

36.1 Effects 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), and 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). Price effects have been determined on Applicant’s information.

36.2 Price Undercutting

Facts:

36.2.1 Price undercutting is calculated in the following table on the basis of the information provided in application on ex-factory price of the domestic like product and landed cost of the investigated product:

Table-XI
Price Undercutting (Rs./MT)

Year*	Weighted average ex-factory price of domestic like product	Weighted average landed cost of dumped imports	Price undercutting	
			Absolute	Percentage
2013-14		100.00		---
2014-15	88.06	83.27	4.79	5.44%
2015-16	87.63	71.58	16.04	18.30%

Source: Applicant and PRAL *January to December

Note: For the purpose of confidentiality, the actual figures have been indexed w.r.t landed cost of investigated product during year 2014

Analysis:

36.2.2 The above table shows that the landed cost of the investigated product remained lower than the sales price of the domestic industry during POI. The quantum of price undercutting has increased over the years. The price under cutting increased from 5.44 percent in year 2015 to 18.30% percent in year 2016.

36.3 Price Depression

Facts:

36.3.1 Weighted average ex-factory prices of the domestic like product in the domestic market during POI are given in table below:

Table-XII
Ex-factory Price of Domestic Industry (Rs/MT)

Year	Prices	Price Depression
2014	---	-
2015	100.00	-
2016	99.51	0.49%

Year: from January to December.

Source: the Applicant

Note: For the purpose of confidentiality, the actual figures have been indexed w.r.t ex-factory price of domestic like product during year 2015.

Analysis:

36.3.2 The table above shows that the price of the domestic like product decreased by 0.49 percent in the year 2016 as compared with year 2015. However, the decrease in the price was insignificant.

36.4 Price Suppression

Facts:

36.4.1 Weighted average cost to make and sell and ex-factory prices of the domestic like product for the POI are given in the following table:

**Table-XIII
Price Suppression (Rs/MT)**

Year	Cost to make & sell	Ex-factory price	Increase/(decrease) in:		Price suppression
			Cost to make & sell	Ex-factory price	
2014	---	---	---	---	---
2015	96.46	100.00	---	---	---
2016	84.39	99.51	(12.07)	(0.49)	---

Year: from January to December.

Source: the Applicant

Note: For the purpose of confidentiality, the actual figures have been indexed w.r.t ex-factory price of domestic like product during year 2015.

Analysis:

36.4.2 The data in the above table reveals that cost to make and sell and the domestic sales prices of the Applicant decreased in the year 2016. However, the decrease in the cost was more than the decrease in the sales price of the domestic industry.

37. Market Share

Facts:

37.1 Total domestic demand of Color Coated Coils/ Sheets 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 the Exporting Countries and imports of Color Coated Coils/ Sheets from other sources. Following table shows the market share from each source during the POI:

**Table-XIV
Market Share**

Year	Share of Domestic Industry		Share of Dumped Imports		Other Imports		Total Domestic Market
	MT	%	MT	%	MT	%	
2014			74.92	74.92	25.08	25.08	100.00
2015	43.17	14.92	217.01	75.00	29.17	10.08	289.35
2016	64.97	9.69	558.04	83.23	47.50	7.08	670.51

Year: from January to December.

Source: the Applicant and PRAL

Note: For the purpose of confidentiality, the actual figures have been indexed w.r.t total domestic market during year 2014.

Analysis:

37.2 The above table shows that the share of domestic industry declined during the POI from 14.92 percent in the year 2015 to 9.69 percent in the year 2016 although the sales of domestic industry increased in absolute terms by 50% during 2016 as compared to year 2015. The market share of the dumped imports of the investigated product remained static at 75% in year 2014 and year 2015, however it increased to 83.23% in the year 2016. Domestic market increased by 189 percent during the year 2015 as compared to year 2014 and further increased by 131% in the last year of POI i.e. 2016.

38. Production and Capacity Utilization

Facts:

38.1 The installed capacity, quantity produced and the capacity utilization of the Applicant during the POI is provided in following table;

**Table-XV
Installed Capacity and Capacity Utilization**

Year*	color coated coils/sheets Capacity Utilization (%)
2015	9.84%
2016	11.31%

Note: Year: from January to December
Source: the Applicant

Analysis

38.2 The data given in the above table reveals that the installed capacity of the Applicant remained same over the period of time and the production of applicant has increased over time and so the capacity utilization

39 Sales

Facts:

39.1 Sales of the domestic like product by the applicant are given in the following table:

**Table-XVI
Sales of the Domestic Industry**

Year	MT
2014	---
2015	100.00
2016	150.49

Year: from January to December.

Source: the Applicant

Note: For the purpose of confidentiality, the actual figures have been indexed w.r.t sales figures during year 2015

Analysis

39.2 The above table shows that the sales of the domestic like product by the domestic industry increased during the year 2016 however it does not correspond with increase in

domestic demand during this year. In the year 2016, the domestic market increased by 131 percent however, sales of the domestic industry increased by 50.49 percent due to the reason that major share of the domestic market was captured by the dumped imports.

40. Profit and Loss

Facts:

40.1 Information with regard to Applicant’s profit/loss from production and sale of the domestic like product is given in the following table:

**Table-XVII
Profit/Loss of the Applicant**

Year	Net profit/(loss) (Rs.000)	Profit/Loss (Rs. Per MT)
2014	---	---
2015	100.00	100.00
2016	1,199.74	886.90

Year: from January to December.

Source: the Applicant

Note: For the purpose of confidentiality, actual figures have been indexed with respect to total profit and profit per MT in year 2015.

Analysis

40.2 It appears from the above table that the Applicant’s net profit and profitability increased during the year 2016.

41. Inventories

Facts:

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

**Table-XVIII
Inventories of the Color Coated Coils/Sheets (MT)**

Year	Opening Inventory	Production	Sales (Domestic)	Sales (Exports)	Closing Inventory
2014	---	---	---	---	---
2015	1.54	100.00	72.26	11.95	17.32
2016	17.32	114.88	108.75	5.14	18.33

Year: from January to December

Source; the Applicant

Note: For the purpose of confidentiality, actual figures have been indexed with respect to production figures in year 2015

Analysis:

41.2 The above table shows that the inventories of the domestic industry increased during the POI. However, a perusal of the data given in the above table reveals that this increase is partially due to the decline in the export sales of the Applicant and increased in production of domestic like product.

42. Employment, Productivity and Wages

Facts:

42.1 The data relating to the employment, salaries & Wages and productivity of the domestic like product during the POI is given in the following table;

**Table-XIX
Employment, Productivity and Salaries and Wages**

Year	Number of Employees	Salaries and wages (mill. RS)	Production (MT)	Productivity MT/worker	Salaries & wages per MT
2015	100.00	100.00	100.00	100.00	100.00
2016	105.00	102.10	114.88	109.44	88.94

Source: the Applicant

Note: The year is from January to December

Note: For the purpose of confidentiality, actual figures have been indexed with respect to number of employees, salaries and wages, domestic production, productivity per worker and salaries and wages per MT in year 2015

Analysis:

42.2 The above table shows that number of employees almost remained the same over POI. Productivity per worker has increased due to increase in production of domestic like product and salaries and wages per MT have reduced over the years.

43. Return on Investment

Facts:

43.1 Since the Applicant is a multi-product company, the consolidated position of return on investment during the POI has been given in the following table;

**Table-XX
Return on Investment**

Year	Investment (million Rs)	Return (million Rs)	Return on Investment
2014	---	---	---
2015	100.00	13.05	13.04
2016	109.01	42.14	38.65

Year: from January to December.

Source: the Applicant

Note: For the purpose of confidentiality, actual figures have been indexed with respect to total investment figures in year 2015

Analysis:

43.2 The above table shows that the return on investment of the Applicant has significantly increased over time.

44. Cash Flow**Facts:**

44.1 Since the Applicant is a multi-product company, its cash flows are reported in the audited accounts for the whole company. Position of cash flows during the POI has been given in the following table:

Table-XXI
Cash Flow

Year	Cash inflow (million Rs)
2014	---
2015	100.00
2016	194.77

Year: from January to December.

Source: the Applicant

Note: For the purpose of confidentiality, actual figures have been indexed with respect to cash flow figures in year 2015

Analysis

44.2 The above table shows that the industry had a positive cash flow during POI.

45. Growth:

The domestic market of the Color Coated Coils/Sheets has been increased significantly over the period of time i.e. since year 2014 to 2016 however a perusal of the table XV supra reveals that domestic industry could not fully utilize its installed capacity even though in the expanded market. Keeping in view the prices of the dumped imports, it seems that it is difficult for the domestic industry to compete with the imported products and to increase its sales in the domestic industry which could lead to expansion in the installed capacity of the domestic industry.

46. Magnitude of Dumping Margin

Dumping margins for all the dumped sources are well above the *de-minimis* level of less than 2 percent. These dumping margins ranging from 5.36 percent to 14.24 percent coupled with increase in volume of dumped imports demonstrates the level of material as well as threat of material injury.

47. Summing up of Material Injury

47.1 The facts and the analysis in the preceding paragraphs shows that there was significant increase in the volume of dumped imports of the investigated product in absolute terms as well as relative to the domestic consumption during the POI.

47.2 The analysis of injury factors further shows that the landed cost of the investigated product significantly undercut the sales prices of domestic like product throughout the POI. The extremely low prices of the investigated product resulted in low levels of production, capacity utilization, sales and decline in market share of domestic industry even though there was significant growth in the market size. Apart from above, the domestic industry had also faced negative effect on inventories and growth of the domestic industry. The domestic industry has started producing the like product since 2015 and it was unable to achieve the breakeven point because of dumped imports. .

47.3 The Commission's investigation revealed that although the volume of dumped imports increased significantly during the POI, its share in fast growing domestic market also increased from 75% to 83%, however this increase in volume of dumped imports did not affect the cash flows and profit of the domestic industry. However, the significant increase in the volume of dumped imports at substantially low prices /dumped prices has also posed a threat of material injury which seems imminent as explained below.

48. Threat of Material injury

48.1 As stated earlier the Applicant also alleged threat of material injury to the domestic industry due to dumped imports of the investigated product. Section 19 of the Act provides guidance to determine threat of material injury, which states as follows:

48.2 The analysis and determination of the Commission with regards to the factors mentioned in Section 19 of the Act are as under:

49. Rate of Increase of Dumped Imports

49.1 In terms of Section 19(1)(a) of the Act whether there is a significant rate of increase of dumped imports indicating the likelihood of substantial increase in imports in future. The facts with regards to volume and rate of increase in dumped imports of the investigated product are reproduced below:

Table-XXII
Volume of Dumped Imports (Rs./MT)

Year*	Dumped imports:			Sales price of the Domestic industry
	Quantity (MT)	% increase	Landed cost of Investigated Product	
2014	100.00	--	100.00	
2015	289.67	189.39	83.20	88.01
2016	744.90	157.16	71.17	87.57
2017	1,169.17	56.95	85.56	109.93

Year: from January to December.

Source: the Applicant and PRAL

Note: For the purpose of confidentiality, actual figures have been indexed with respect to imports from dumped sources and landed cost of dumped import respectively in year 2014.

49.2 The above table shows that there was substantial increase in the volume of dumped imports during the POI and the increase in volume of dumped imports was significant even after the initiation of antidumping investigation, as the dumped imports increased from ****MT in 2016 to **** MT (56.95%) in 2017. Further, landed cost of the dumped imports which was 18.38% percent lower than the ex-factory price of the domestic like product in 2016, further decreases to 22.17% in year 2017, which indicates that since the dumped investigated product is cheaper than the Color Coated Coils / Sheets produced by the domestic industry, there is likelihood that the volume of dumped imports of the investigated product will further increase. In case dumped imports increase further from its current level it will adversely affect production, sales and market share, profitability, return on investment of the domestic industry.

50. **Capacities and Production of the Exporters/Producers**

50.1 According to the website “www.coatingsworld.com” the coated Steel’s capacity in China has surpassed its demand in recent years, leading to fierce price war in China’s domestic market as well as in related export markets. The production capacity utilization of Chinese Color Coated Steel industry is around 50%, thus showing substantial excess production capacity to produce and export to a growing export market of Color Coated Coils of Pakistan.

50.2 This shows that the Chinese Steel Industry is forced to sell at prices even below their cost to make and sell. The lower capacity utilization rate and high over production of Steel products including color coated coils/sheets in China, are resulting in piled-up stocks of color coated coils/sheets in the local market of China, so manufacturers and traders had to offer lower prices to attract more orders. Such a situation had already caused severe injury to the domestic industry and the problem of over capacities seems to persist for at least 4-5 more years.

51. **Inventories/Excess Production of the Chinese Producers**

51.1 According to the Applicant, in addition to the excess capacities, there is increase in the inventories of the investigated product in the Exporting Countries. One measure of excess capacity is the capacity utilization rate and the China’s capacity utilization rate was around 50% as mentioned in para 50.1 supra.

51.2 The Chinese Government has been making attempts to restructure the steel industry to increase its efficiency and remove some excess capacity. In October 2013, the Chinese Government issued a guideline requiring that steel capacity in China should be reduced by 80 million tonnes by 2018. The act of Chinese Government requiring reduction in capacities of Steel Mills further indicates that China has excess capacities in Steel sector.

51.3 In addition to China, dumped imports from South Africa are also posing a great threat of material injury in near future. As, China is exporting large volumes of steel to South Africa at significantly reduced prices and in turn South Africa has no other option to keep its operations going other than exporting its steel products at dumped prices. Extracts from the article “ArcelorMittal ‘going to fight’ Chinese steel imports” are as follows:

“The steel is being sent to South African ports at prices as much as 25% below local production costs, making producers uncompetitive

South Africa's steel demand for 2015 isn't expected to exceed the 4.9 million metric tonnes consumed last year, Imports may increase as much as 60% to 1.6 million tonnes"

51.4 Moreover, Hebei Iron & Steel Co., China's second-largest steelmaker by volume has decided to set up China's biggest overseas steel mill in South Africa. Some extracts of an article "Steelmakers look abroad as overcapacity looms at home" are as follows:

"the first phase of construction is expected to start next year with a target to produce 3 million tons of steel in 2017. The second phase of construction, which will start in 2017, targets 2 million tons of steel production"

After installation of this capacity, South Africa will increase dumped imports as the exporters are already establishing contacts with local importers.

51.5 On the basis of above information and analysis it is concluded that the foreign producers/exporters of the investigated product have sufficient/imminent freely disposable production and inventories, which indicates likelihood immediate substantial increase in dumped imports of the investigated product.

52. **Trade Defense Actions on Exports of Chinese Steel Products**

52.1 Number of countries, including the United States, European Union, India, Malaysia, Indonesia, Australia, Austria, Canada, Philippines, Turkey, Thailand and Taiwan have taken trade defense action on Chinese exports of steel products during last three years including the investigated product. Apart from the above United States have increased tariffs on steel products from China under Section 232 of Trade Expansion Act of 1962. In addition, the European Union ("EU") has also initiated safeguard investigation on imports of a number of steel products into the EU.

52.2 The imposition of trade remedy measures by the other countries against China steel products suggests that inventories of Chinese producers of steel products must have increased, which will be diverted to other sources. This situation is posing further threat of material injury to the domestic industry

53. **Likely Price Effects of Dumped Imports**

The landed cost of the dumped imports of the investigated product was lower by 18.38 percent than the ex-factory price of the domestic like product in 2016 and after initiation of antidumping investigation the ex-factory price of the domestic like product was 22.17% lower than landed cost in 2017. Due to lower landed cost of the dumped imports the Applicant has reduced its price slightly during the year 2016. However, any likely increase of the dumped imports of the investigated product will force domestic industry to reduce prices of the domestic like product to maintain its sales market share.

D. CAUSATION**54. Other Factors**

54.1 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.

54.2 The Commission's investigation showed that the domestic industry did not suffer injury due to imports of the like product from sources other than the Exporting Countries during the POI. The imports from sources other than Exporting Countries were in low in volume as compared with dumped imports. The landed cost of such imports was higher than the landed cost of investigated product. Following table shows volume and landed cost of Color Coated Coils/Sheets imported from other sources during the POI:

**Table-XXIII
Volume and Prices of Color Coated Coils/Sheets**

Year*	Volume of imports from dumped source	Volume of imports from other than dumped source	Weighted Average landed cost from dumped source	Weighted Average landed cost from other than dumped source	Weighted Average price of domestic like product
2014	100.00	33.48	100.00	108.35	---
2015	289.67	38.93	83.27	91.34	88.06
2016	744.90	63.41	71.58	73.17	87.63

Source: Applicant *Year: January to December

Note: For the purpose of confidentiality, actual figures have been indexed with respect to imports from dumped sources and landed cost of dumped import respectively in year 2014.

54.3 In terms of Section 18(3) of the Act, the Commission analyzed that whether there is contraction in demand of Color Coated Coils/Sheets or there are changes in the patterns of consumption of Color Coated Coils/Sheets in Pakistan. Following table shows the total domestic market of Color Coated Coils/Sheets in Pakistan:

**Table-XXIV
Total Domestic Market of Color Coated Coils/Sheets**

*Year	Share of Domestic industry in Domestic Market	Share of Dumped Imports in Domestic Market	Share of Imports from other sources in Domestic Market	Total Domestic Market
2014	---	74.92	25.08	100.00
2015	43.17	217.01	29.17	289.35
2016	64.97	558.04	47.50	670.51
2017	102.73	875.88	60.09	1,038.70

Source: the Applicant and PRAL

*Year: January to December

Note: For the purpose of confidentiality, actual figures have been indexed with respect to total domestic market in year 2014

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

- i. There was no contraction in demand;
- ii. There was no considerable change in technology to produce Color Coated Coils/Sheets; and
- iii. There was no significant change in export pattern of the domestic industry during POI.
- iv. During the POI there was no change in trade restrictive practices.

55. Effect of Dumped Imports

55.1 From the foregoing analysis it appears that the volume of the dumped imports significantly increased during the POI, which caused significant price undercutting, decline in market share, low levels of production and capacity utilization and negative effects on inventories and growth of domestic industry.

55.2 It appears from analysis that there was a time correlation between increase in dumped imports and injury to domestic industry along with an imminent threat of material injury due to likely further increase in the volume of dumped imports. Therefore, it is concluded that following happened simultaneously during the POI:

- i. Volume of dumped imports of the investigated product increased significantly in absolute terms;
- ii. Domestic industry experienced significant price undercutting due to dumped imports of the investigated product;
- iii. Domestic industry experienced low level of production, low level of capacity utilization, decline in market share and, and negative effects on inventories and growth due to dumped imports;

E. CONCLUSIONS

56. 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 the 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 5.36 percent to 14.24 percent for exporters/producers from the Exporting Countries;
- vi. the domestic industry suffered material injury on account of volume of dumped imports, price undercutting, low level of production, low level of capacity utilization, decline in market share and, and negative effects on inventories and growth due to dumped imports in terms of Section 15 and 17 of the Act; and
- vii. there is a causal relationship between dumped imports of the investigated product and the material injury to the domestic industry.
- viii. There is imminent threat of material injury to the domestic industry in terms of Section 19 of the Act on account of likely further increase in the volume of dumped imports, idle capacities of like product in Exporting Countries, Inventories/excess Production of like product in the Exporting Countries and trade defense actions taken by other countries against China steel products.

F. IMPOSITION OF DEFINITIVE ANTI-DUMPING DUTY

57. In view of the analysis and conclusions with regard to dumping, material injury, threat of material injury and causation, in terms of Section 50 of the Act, the Commission is required to impose antidumping duty on dumped imports of the investigated product not exceeding margin of dumping established.

58. In this investigation, the Commission has determined individual dumping margins for the selected three exporters /producers i.e. Yanbo, Huada and Jurui from China. Duty rate for the

cooperating exporters/producers who were not selected in the sample from China is determined on the basis of the weighted average of dumping margin of sampled exporters/producers. For all other non-cooperating exporters/producers from China residual duty rate has been determined as the highest dumping margin for the exporters selected for detailed investigation of C&F value. Further, A residual dumping margin has been determined all exporters/producers from the South Africa on the basis of Best Information Available in accordance with Section 32 of the Act and Article 6.8 and Annex II of the Agreement on Anti-dumping.

59. In reaching this Final determination the Commission satisfied itself that Color Coated Coils/Sheets imported from the Exporting Countries have been imported at dumped prices. The Commission is of the view that the level of material and threat of material injury is sufficient to justify imposition of definitive measures. In order to prevent material injury and threat of 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 Color Coated Coils/Sheets imported from the Exporting Countries under PCT Heading Nos. 7210.7020, 7210.7090, 7212.4010 and 7212.4090, for a period of five years with effect from June 13, 2018:

Definitive Antidumping Duty Rates

Country	Exporters/Producers	Definitive Antidumping Duty Rates (%)
China	Exporters/Producers selected for Detailed Examination:	
	Hebei Yanbo Color Coated Sheet Co., Ltd	5.36
	Zhejiang Huada New Material Co., Ltd	6.03
	Hangzhou Jurui Steel Co., Ltd	10.88
	Exporters/Producers Cooperated But not Selected for Detailed Examination:	
	Shandong Huijin Color Steel Co., Ltd	7.32
	Shandong Kenod Steel Co., Ltd	7.32
	Jiangyin Zongcheng Steel Co., Ltd	7.32
	Shandong Huaye Industry & Trade Co., Ltd	7.32
	Shandong Gengxiang Import And Export Trade Co., Ltd	7.32
	Hangzhou Puyin Metal Material Co., Ltd	7.32
	Hangzhou Puyin Industrial Co., Ltd.	7.32
	Binzhou Yongguang Industry And Trade Co., Ltd	7.32
	Suzhou Yogiand Trading Co., Ltd.	7.32
	Shandong Hwafone Steel Co., Ltd	7.32
	Shandong Yunfeng Steel & Iron Co., Ltd	7.32
	Shandong Ye Hui Coated Steel Co., Ltd (Producer)	7.32
	Shandong Boxing Ying Xiang International Trade Co., Ltd	7.32
	Zhejiang Xiaojin Outong Color Coated Sheet Co., Ltd	7.32
	Shanghai Xiaojin Industrial Co., Ltd	7.32
Shandong Star Steel Sheet Co., Ltd	7.32	
Shandong Chambroad Holding Co., Ltd	7.32	
All Other exporters/producers from China	10.88	
South Africa	All exporters/producers	14.24

60. Color Coated Coils/Sheets imported from sources, other than the Exporting Countries shall not be subject to definitive antidumping duties. Further, in accordance with Section 51(1)(e) of the Act, definitive duty will not be levied on imports of the investigated product that are to be used as inputs in products destined solely for exports and are covered under any scheme exempting customs duty for exports under the Customs Act, 1969.

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

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

63. 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.

-Sd-
(Robina Ather)
Chairperson
June 11, 2018

-Sd-
(Tipu Sultan)
Member
June 11, 2018

Annexure-I

The comments received from the interested parties during the course of the investigation against initiation of investigation which are germane to this investigation under the Act are reproduced in Column A below and the Commission's response thereto are set out in Column B in the following table:

Comments of Interested Parties

Comments of importers/users:	
The importers/users of Color Coated Coils/Sheets mentioned below made following comments during the course of investigation;	
<ul style="list-style-type: none">i. Pakistan Iron and Steel Merchant Associationii. M. Hussain & Company, Karachiiii. HNR Company Pvt Ltdiv. Karachi Iron & Steel Merchants Associationv. China Chamber of International Commercevi. G.S. Steel, Karachi.vii. Owais Corporation, Karachiviii. Safa Steel, Karachiix. Nobel Steel, Karachix. Hashim Lakhani & Sons, Karachixi. Atif Enterprises, Karachixii. Irfan Traders, Karachixiii. Wrsim Traders, Karachixiv. Suleman Ebrahim Co., Karachixv. OS Corporation, Karachixvi. Abika Enterprises, Karachixvii. Steel Trading Co., Karachixviii. Crystal Enterprise, Karachixix. Gilani Services, Karachixx. Ayub Enterprises, Karachixxi. Progressive Steel Decorators, Karachixxii. Metal Global Corporation, , Karachixxiii. World Trade Association, Karachixxiv. Shaikh Traders, Karachixxv. Tahir Steel Impex, Karachixxvi. Al Asif Corporation (Pvt.) Limited	
Column-A (Comments of interested parties)	Column - B (Commission's replies/comments)
Comments of:	
<ul style="list-style-type: none">i. Pakistan Iron and Steel Merchant Association	

Final Determination and Levy of Anti-Dumping Duties in Anti-Dumping Investigation against Dumped Imports of Color Coated Steel Coils / Sheets Originating in and/or Exported from China and South Africa.

- ii. M. Hussain & Company, Karachi
- iii. HNR Company Pvt Ltd
- iv. Karachi Iron & Steel Merchants Association
- v. China Chamber of International Commerce
- vi. G.S. Steel, Karachi.
- vii. Owais Corporation, Karachi
- viii. Safa Steel, Karachi
- ix. Nobel Steel, Karachi
- x. Hashim Lakhani & Sons, Karachi
- xi. Atif Enterprises, Karachi
- xii. Irfan Traders, Karachi
- xiii. Wrsim Traders, Karachi
- xiv. Suleman Ebrahim Co., Karachi
- xv. OS Corporation, Karachi
- xvi. Abika Enterprises, Karachi
- xvii. Steel Trading Co., Karachi
- xviii. Crystal Enterprise, Karachi
- xix. Gilani Services, Karachi
- xx. Ayub Enterprises, Karachi
- xxi. Progressive Steel Decorators, Karachi
- xxii. Metal Global Corporation, , Karachi
- xxiii. World Trade Association, Karachi
- xxiv. Shaikh Traders, Karachi
- xxv. Tahir Steel Impex, Karachi
- xxvi. Al Asif Corporation (Pvt.) Limited

The above mentioned importers/association submitted the same comments which are discussed below;

“Standing of the application:

It is mentioned here that the applicant has only produced 9.84% of its total capacity i.e. 84000 MT per annum which comes to 8266 MT in the year 2015 where the imports stands in the same year of Color Coated Steel Coils / Sheets from exporting countries at 58,650 MT approximately, shown in the customs import data available to us, i.e. just about 14% of the local demand. Beyond this, in the year 2016 the applicant has just produced 11.31% of its total capacity i.e. 84000 MT per annum which comes to 9500 MT where the imports stands in the same year of Color Coated Steel Coils / Sheets from exporting countries at 70900 MT approximately, shown in the customs import data available to us, i.e. just over 13% of the local demand. This indicates that either the applicant is not able to produce as per demanded quantity or its

The standing of the application is determined on the basis of provisions of Section 24 of the Act which is based on domestic production by the domestic industry and not volume of imports. Accordingly standing of the Application has been correctly determined as the Applicant account for 100% of the domestic production of domestic like product. As regards, the fact that domestic industry is catering only negligible part of domestic demand may be correct but there is no bar for domestic industry which has just started commercial production to make and application.

<p>price is higher against the imported product and may have quality factors due to which the applicant is incompetent for the said product in the market, and intends to get imposed Anti-Dumping Duty so it can enjoy more profits beyond the level playing field and thus can lead the price trend in the market in a monopolistic manner. If any local producer is unable to produce quantities and fulfill the local demand required of sizes, specifications and grades how it should expect that the customer or user will wait for a longer period of time for the local producer to produce the same when the imported material is readily available in the market at better prices or the consumer or user can import the product in the same time frame as required by the local producer to produce and deliver the same.”</p>	
<p>“Investigated Product & Domestic Like Product;</p> <p>the applicant is not producing any of the following products:</p> <ul style="list-style-type: none"> • 7210.7010 Flat- rolled products of iron or non- alloy steel, of a width of 600 mm or more, clad, plated or coated, Painted, Varnished or coated with plastics; VCM or PCM coated sheets of a thickness (excluding any coating) not exceeding 0.50 mm • 7210.7020 Flat- rolled products of iron or non- alloy steel, of a width of 600 mm or more, clad, plated or coated - Painted, Varnished or coated with plastics; secondary quality • 7210.7090 Flat- rolled products of iron or non- alloy steel, of a width of 600 mm or more, clad, plated or coated - Painted, Varnished or coated with plastics; Other • 7212.4010 Flat- rolled products of iron or non- alloy steel, of a width of less than 600 mm, Painted, Varnished or coated with plastics; of secondary quality • 7212.4090 Flat- rolled products of iron or non- alloy steel, of a width of less than 600 mm, Painted, Varnished or coated with plastics; Other” 	<p>After taking into consideration facts and the verification of data/information submitted by the Applicant, the Commission has revisited the scope of the investigated product and defined the investigated product as Color Coated Coils/Sheets above thickness of 0.23 mm imported from the Exporting Countries classified under following Pakistan Customs Tariff Heading Nos.</p> <p>7210.7020 Flat- rolled products of iron or non- alloy steel, of a width of 600 mm or more, clad, plated or coated - Painted, Varnished or coated with plastics; secondary quality</p> <ul style="list-style-type: none"> • 7210.7090 Flat- rolled products of iron or non- alloy steel, of a width of 600 mm or more, clad, plated or coated - Painted, Varnished or coated with plastics; Other • 7212.4010 Flat- rolled products of iron or non- alloy steel, of a width of less than 600 mm, Painted, Varnished or coated with plastics; of secondary quality • 7212.4090 Flat- rolled products of iron or non- alloy steel, of a width of less than 600 mm, Painted, Varnished or coated with plastics; Other.
<p>“Period of Investigation:</p> <p>The commission has taken period of investigation as follows: For determination of dumping: From January 1, 2016 to</p>	<p>The Commission received the application on April 10, 2017 and initiated the investigation on June 10, 2017. The Applicant provided the</p>

Final Determination and Levy of Anti-Dumping Duties in Anti-Dumping Investigation against Dumped Imports of Color Coated Steel Coils / Sheets Originating in and/or Exported from China and South Africa.

<p>December 31, 2016 For determination of injury: From January 1, 2014 to December 31, 2016. It is not rationale to do the same when local industry of the said product was not producing this item unless / until first quarter of 2015 as stated by the commission itself, therefore period of determination of dumping and period of injury should only be considered once the applicant and local producer started to produce the same material and was selling the same in local market. For this reason we have provided our facts, figures and data for the year(s) of 2015 and 2016 only leaving apart 2014, hope the commission will also the consider the period only after when the local producer i.e. the applicant started the production of the same.”</p>	<p>information/data up to December 31, 2016 in the application. Therefore, to fulfill the requirement of Section 36 of the Act, the POI selected by the Commission for dumping and injury are, as follows: For determination of dumping: From January 1, 2016 to December 31, 2016 For determination of injury: From January 1, 2014 to December 31, 2016. As the Applicant started commercial production of domestic like product in first quarter of year 2015, therefore analysis of injury factors except for volume of dumped imports in this preliminary determination report has been analyzed for two years i.e. year 2015 and 2016 of POI.</p>
<p>Dumping & Evidence of Dumping:</p> <p>“There is no or near to nil evidence provided from the applicant as the commission states itself that the applicant claimed that it was not able to acquire the exporting country’s domestic prices of Color Coated Coils/Sheets, and given with a website i.e. www.zhongcansteel.com the whole industries prices cannot be determined, as this is just one company based in the Shandong province of China, however as stated already in response to point # 10, over 30 million tons of such steel is produced today in over 300 coating lines just in Boxing which is a little county in North of China, only one website which is also not authorized to do the same as it is not a governmental organization authorized to give price statistics or state owned agent or company to regulate market price levels, therefore, this evidence is not in any way reliable or sufficient to support the applicants requirement for imposition of anti-dumping duty”.</p>	<p>The Commission initiated the said investigation on basis of prima facie evidence and the said website contain prima facie evidence as the prices in the same market could not be much different. However, for the purpose of this final determination, while calculating the normal value for exporter/producers from China the Commission relied upon the actual information submitted by Chines exporters/producers and subsequently verified by the Commission.</p>
<p>“Volume of Alleged Dumped Imports:</p> <p>As clarified and stated in above points that the investigated or like product, therefore it cannot be said that the volume of the dumped product has increased, it can be stated that the imports of investigated product have increased from China particularly due to the fact that their competitiveness in price and good quality, further the demand in Pakistan has also increased as the customer or end user who was using cold rolled, galvanized or other line products for their</p>	<p>The analysis of the Commission in this final determination showed that volume of imports from the Exporting Countries have increased over the period of time and the volume of dumped imports of the investigated product from the Exporting Countries is above the negligible threshold set out in Section 41(3) of the Act.</p>

Final Determination and Levy of Anti-Dumping Duties in Anti-Dumping Investigation against Dumped Imports of Color Coated Steel Coils / Sheets Originating in and/or Exported from China and South Africa.

<p>usages has changed and switched to a more better product which is Color Coated Steel Coils / Sheets or in this case the investigated product.”</p>	
<p>“Market Share: As shown in Table-X, the figures given by the applicant that their market share has decreased from the year 2015 to the year 2016, is only because their price is higher and customer response to applicant’s quality is not very positive or appreciating. If the local producer or in this case the applicant have lost its share of the market is because the demand from the year 2015 to 2016 was much increased however the applicant failed to increase its capacity. When the quantity and quality is not available with the local producer, in this case the applicant, the user or consumer of the product will of course shift towards imported product. It cannot be evaluated that the dumped imports have increased but yes the demand have mincreased leading to more and more import of the investigated product, however the domestic producer failed to even increase 2% of their production from the year 2015 to the year 2016 which will of course lead to loss of market share..”</p>	<p>The Commission while making the final determination in the investigation has determined that share of domestic industry declined during the POI from 14.92 percent in the year 2015 to 9.69 percent in the year 2016 although the sales of domestic industry increased in absolute terms by 50% during 2016 as compared to year 2015. The market share of the dumped imports of the investigated product remained static at 75% in year 2014 and year 2015, however it increased to 83.23% in the year 2016. Domestic market increased by 189 percent during the year 2015 as compared to year 2014 and further increased by 131% in the last year of POI i.e. 2016.</p>
<p>“Profit and Loss: The applicants demand and application to the commission is contradictory, as they claim to have increased their profit by almost 9 times from the year 2015 to the year 2016 and yet wishes to get the imported product charged with anti-dumping duty, which is not even dumped in actual terms as proved in above points, thus indeed their intention clarifies here that the applicant is creating reasons which are not real in factual manner to get impose anti-dumping duty and then enjoy a monopolistic position to drive the price at whichever level they wish. The amount and number of profits which the applicant is making are quiet huge and the amounts of profits other steel manufacturers in the region of South East Asia and other parts of the world are not making, which can be verifies from their financials publicized on their websites. Even after such margins being obtained the applicant requests the commission to analyze and assess the potential performance of applicant in absence of imported material, which shows the applicants intention to capture the market and enjoy more profits, which will cause loss to national exchequer provided by the importers in terms of duties, taxes and revenue generation as well as unemployment, loss to the industry as a whole and</p>	<p>The Commission while making the final determination in the investigation has determined that the Applicant’s net profit increased during the year 2016.</p>

Final Determination and Levy of Anti-Dumping Duties in Anti-Dumping Investigation against Dumped Imports of Color Coated Steel Coils / Sheets Originating in and/or Exported from China and South Africa.

<p>economic loss to the country as well.”</p>	
<p>Imposition of Anti-Dumping duty on investigated product will create monopoly of the applicant in the local market which is not legal in the light of Pakistani law.</p>	<p>The purpose of the imposition of the antidumping duties is to remove the unfair advantage being enjoyed by the exporters/foreign producers from the exporting countries which are exporting the investigated product at dumped prices rather to create monopoly of the domestic producer.</p>
<p><u>Comments of HNR Company Ltd:</u></p> <p>The HNR Company an importer of PCM/VCM Color Coated Coils/Sheets made the following comments during the course of investigation:</p>	
<p>“VCM/PCM Steel sheets are neither produced locally nor available locally so the claim of injury to local industry is not correct. There is no reason or justification to impose the anti-dumping duty on import of VCM/PCM Steel Sheets (PCT heading 7210.7010). In addition, it is pertinent to mention that these sheets are of very specific colors, designs and specifications therefore CFR import prices are also very high from normal and simple painted/ color coated sheets.</p> <p>Therefore, we are urging you to exclude the above mentioned PCT heading from investigation of anti-dumping. This is the interest of common man who is customer of home appliances industry.”</p>	<p>After taking into consideration facts and the verification of data/information submitted by the Applicant, the Commission determined that PCM/VCM sheets falling under PCT Code 7210.7010 is not being manufactured locally and hence excluded from the scope of investigated product. .</p>
<p><u>Comments of China Chamber of International Commerce Company Ltd:</u></p> <p>China Chamber of International Commerce (CCOIC), a registered party in this investigation, made the following comments during the course of investigation:</p>	
<p>Requirement of Section 20 of the Act- Sufficiency of Evidence:</p> <p>“The Applicant has failed to provide any of the relevant information that is required for an interested party to draw an intelligible conclusion of the substance of the information provided, as information relating to prices, information relating to volume of dumped products and effects of imports has been deliberately categorized as being confidential and the summaries provided of the same do not permit any interested party to draw the conclusion that dumping</p>	<p>The Applicant provided the information relating to prices, volume of dumped imports and effects of dumped imports on state of domestic industry in confidence and provided non confidential information as required under law. Further, the Commission in its initiation memo which is placed in public file for review of the interested parties also provided information relating to prices, volume of</p>

<p>and or injury has been caused by the import of CCC into the economy of Pakistan”</p>	<p>dumped imports and effects of dumped imports on state of domestic industry in indexed form which provide ample opportunity to interested parties to draw a conclusion and submit relevant comments.</p>
<p>LEGALITY OF SOURCE OF ORIGIN OF IMPORT DATA:</p> <p>“While reviewing the Application for the Investigation, it has come to our notice that the Commission has provided access to certain information/PRAL data in respect of the Investigated Product which was otherwise not available in the public domain. More importantly, while this information relates to Chinese Exporters and importers from Pakistan, it has been kept confidential from other interested parties. Therefore, not only have the interested parties been prejudiced by the Commission, the Commission has also acted outside the discretion that has been provided under the Act and the implementation of Article 6 on the Anti-Dumping Agreement.”</p>	<p>The Commission provided the PRAL data to the Application for the purpose of lodging application for this investigation. Further, the Commission provided filtered PRAL data to the Applicant by excluding information relating to importers of the investigated product.</p>
<p>UNWARRANTED CONFIDENTIALITY;</p> <p>“The Applicant was under a duty to furnish non-confidential summaries of confidential information and such non-confidential summaries should permit a reasonable understanding of the substance of the information submitted in confidence. The non-confidential version of the Application does not permit a reasonable understanding of the substance of the information and, therefore, the Importers are handicapped in commenting on substantial parts of the information provided by the Applicant”</p>	<p>The Applicant provided the information relating to prices, volume of dumped imports and effects of dumped imports on state of domestic industry in confidence and provided non confidential information as required under law. Further, the Commission in its initiation memo which is placed in public file for review of the interested parties also provided information relating to prices, volume of dumped imports and effects of dumped imports on state of domestic industry in indexed form which provide ample opportunity to interested parties to draw a conclusion and submit relevant comments.</p>
<p>Concealment of Calculation of Export Price:</p> <p>It is pertinent to note that no reasons have been provided by the Applicant as to why confidentiality has been claimed in the first place. It is common knowledge, that information that is available in the public domain, cannot be claimed confidential, as it is by nature not confidential. The export price is calculated via information that is available on PRAL, which is already in the public domain</p>	<p>The import data of PRAL is not available to the general public at large. The applicant provided information relating to export price based on PRAL data on confidential basis however the Applicant provided the export price information in indexed for in the Application.</p>
<p>EVIDENCE OF INJURY:</p> <p>“In the Application, the Applicant has claimed that it suffered material injury on account of the following:</p>	<p>The Commission The Commission initiated the</p>

<ul style="list-style-type: none"> - increase in the volume of alleged dumped imports - price undercutting - price depression - price suppression - decline in profits - loss of market share - decrease in capacity utilization - decline in productivity - decline in growth - decrease in return on investment - ability to raise investment - cash flow - increase in wages and salaries - inventories <p>We take this opportunity to submit that the Applicant has stated that they are facing injury based on the standard checklist pattern of all possible forms of injury. Upon critical analysis of the information provided in the Application, market trends and other information publicly available concerning the Applicant, it becomes apparent that the Applicant has formed a baseless claim of injury in its Application.</p>	<p>said investigation on basis of prima facie evidence provided by the Applicant and a claim of threat of injury. However, for the purpose of this final determination the Commission analyzed the consequential effects of dumped imports on state of domestic industry and concluded that domestic industry only suffered injury on account of low level of production, low level of capacity utilization, decline in market share and, and negative effects on inventories and growth.</p>
<p>The Domestic Industry did not suffer material or significant injury on account of Dumping, Price Effects or any other factor mentioned in the Non-Confidential Application. The injury claimed by the Applicant is not due to imports from the Exporting Countries but rather due to other reasons clearly identified above.</p>	<p>The factors have been pointed out but the impact and analysis of the impact has not been provided by the China Chamber of International Commerce to enable the Commission to separate the impact due to dumping and due to other factors.</p>
<p>Comments of Interested Parties on S.E.F: Following interested parties submitted their comments on the SEF;</p> <ul style="list-style-type: none"> • CRYSTAL Enterprise, Karachi • Progressive Steel Decorators, Karachi • Hanif Brothers, Karachi • G.S. Steel, Karachi • Zubair Steel, Karachi • Steel Centre, Karachi • Metal Global Corporation, Karachi • Karachi Iron & Steel Merchants Association (KISMA), Karachi • Pakistan Iron & Steel Merchant’s Association (PISMA), Karachi • Tahir Steel Impex, Karachi • Kashif Trading Corporation, Karachi • Naveed Trading Corporation, Karachi • Qingdao HBIS Composite New Material Technology Co., Ltd • Shandong Huaye Industry & Trade Co., Ltd. • The Applicant 	

<p>Comments of importers/users:</p> <p>The importers/users of Color Coated Coils/Sheets mentioned below made comments on the SEF issued by the Commission. The Comments which are germane to this investigation under the Act are reproduced in Column A below and the Commission’s response thereto are set out in Column B in the following table;</p> <ul style="list-style-type: none"> • CRYSTAL Enterprise, Karachi • Progressive Steel Decorators, Karachi • Hanif Brothers, Karachi • G.S. Steel, Karachi • Zubair Steel, Karachi • Steel Centre, Karachi • Metal Global Corporation, Karachi • Karachi Iron & Steel Merchants Association (KISMA), Karachi • Pakistan Iron & Steel Merchant’s Association (PISMA), Karachi • Tahir Steel Impex, Karachi • Kashif Trading Corporation, Karachi • Naveed Trading Corporation, Karachi 	
<p>Column-A (Comments of interested parties)</p>	<p>Column - B (Commission’s replies/comments)</p>
<p>Written Submission by the Interested Parties:</p> <p>“That quite of the information submitted to the commission is not even found in the public file it has maintained as it claims in point#7 of the SEF, the same query has been raised to the commission but no response received”</p>	<p>The Commission, in accordance with Rule 7 of the Rules, has established and maintained a public file at its office. The Public File contained all the data/information submitted to the Commission during the Course of the Investigation which is not confidential. In case of confidential data, non-confidential version of the same data us placed in Public File.</p>
<p>Evaluation and Examination of the Application:</p> <p>“That the application of applicant does not qualify under section 5,6,15,20,23,31and 35 of the Act, neither did it comply with any of other tangible provisions of the Anti-Dumping Duties Act 2015 as the information provided in the application was deficient, dubious, groundless, defective and rambling, therefore, did not justify initiation of the investigation by the commission”</p>	<p>For this investigation, the Commission examined and analyzed the application which showed that the Application met the requirements of Section 20 of the Act, as it contained sufficient evidence of dumping of Color Coated Steel Coils/Sheets into Pakistan from the Exporting Countries and material injury as well as threat of 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.</p>
<p>“That the Commission state itself that the applicant claimed that it was not able to acquire the exporting country domestic prices of color coated coils/sheets, and given with a website i.e. www.zhongcansteel.com the whole industries prices cannot be determined as this is just one company based in the Shandong province of China and the data available on this website is</p>	<p>The Commission initiated the said investigation on basis of prima facie evidence and the said website contain prima facie evidence as the prices in the same market could not be much different. However, for the purpose of this final determination, while calculating the normal value for exporter/producers from China the Commission relied upon the actual information submitted by Chines exporters/producers and</p>

Final Determination and Levy of Anti-Dumping Duties in Anti-Dumping Investigation against Dumped Imports of Color Coated Steel Coils / Sheets Originating in and/or Exported from China and South Africa.

<p>only from 26-12-2015 to 26-12-2016 which is not enough to cover the period of investigation taken in consideration by the commission and this source of information cannot be benchmarked in this case for the price levels. We have given the price trend information in Chinese market with much clarity and with full supportive evidence, however, if the commission needs more details on the same, the same is readily available and can be provided if the commission feels the need of it".</p>	<p>subsequently verified by the Commission.</p>
<p>"That the accuracy and adequacy of the evidence provided in application is not in accordance with Sec.20 of the Act, and the commission has failed to verify the application in accordance with Sec.23 of the Act as there was insufficient evidence of dumping of color coated coils/sheets into Pakistan from the exporting countries and no material injury has been done as well as there lies no threat of material injury to the domestic industry."</p>	<p>For this investigation, the Commission examined and analyzed the application which showed that the Application met the requirements of Section 20 of the Act, as it contained sufficient evidence of dumping of Color Coated Steel Coils/Sheets into Pakistan from the Exporting Countries and material injury as well as threat of material injury to the domestic industry caused therefrom.</p>
<p>Standing of the Application:</p> <p>"As per clause (iii) of Section (2) the exporter and the domestic producer in this case controls the importers because here as Applicant in this case is procuring its raw material i.e. Hot Rolled Steel from China, from Tangshan Iron and Steel group Co. Ltd. which is a part of Hebei Iron and Steel, who is also a producer and exporter of Color Coated Steel Coils/ Sheets".</p>	<p>The Commission's investigation revealed that neither the Applicant was itself importer of the investigated product, nor was related to any exporter, involved in dumping of the investigated product into Pakistan. The investigated product is Color Coated Coils/Sheets rather than Hot Rolled Steel.</p>
<p>"That the POI taken by the commission is not rationale to do the same when local industry of the said product was not producing this item unless/untill first quarter of 2015 as stated by the commission itself, therefore period of determination of dumping and period of injury should only be considered once the applicant and local producer started to produce the same material and was selling the same in local market".</p>	<p>Already Answered.</p>
<p>"That the commission by selecting only three out of fourteen producers who responded to Exporter's questionnaire, the commission has harmed the interest of the importers and the exporters as if all the 14 would have been analyzed, the commission might not have been able to find any dumping margin for some or</p>	<p>Due to large number of exporter/producers from China, the Commission decided to limit the number of exporters/producers from China for detailed examination on the basis of volume of exports. The Commission selected 3 exporters/producers from China on the basis of highest import in terms of Section 14 of the Act after the consultation with the</p>

Final Determination and Levy of Anti-Dumping Duties in Anti-Dumping Investigation against Dumped Imports of Color Coated Steel Coils / Sheets Originating in and/or Exported from China and South Africa.

<p>most of the exporters/producers involved in this investigation or could have find with a lesser value that what it has allocated to them. i.e. 6.81% of the export price and 6.44% of the C&F price”</p>	<p>cooperating exporters/producers from China under Section 14 (3) of the Act.</p>
<p>“That any normal value of South Africa cannot be determined or constructed, since materials from South Africa are exported on tender basis, it varies from time to time and tender to tender basis, and these secondary materials are not sold by the mills in South Africa locally, as what would be their buying prices for certain material and its list, so the price varies from time to time and tender to tender basis, therefore any normal value cannot be ascertained , this point has well been communicated to the commission during the presentation and on the date of hearing”.</p>	<p>As no exporter/ producer of the investigated product from South Africa has provided information on domestic sales of the investigated product, therefore, normal value has been determined on the basis of Best Information Available with the Commission. The Commission has constructed normal value on the basis of the cost of production in South Africa plus a reasonable amount for administrative, selling and general costs and profits in accordance with Section 6 of the Act. Since the normal value has been constructed for the prime quality product whereas the imports from South Africa are of secondary quality. Therefore, to be more realistic, the constructed normal value has been deflated by 25%.</p>
<p>“The Commission has failed to take into account all factors in order to determine whether domestic industry suffered material injury during the POI and material injury to the domestic industry has not been analyzed in accordance with Part VI of the Act”</p>	<p>While making this final determination, the Commission has determined material injury and threat of material injury to the domestic industry in accordance with Part VI of the Act. The Commission has established that there was a significant increase in volume of dumped imports of the investigated product and significant price undercutting of the domestic like product in the domestic market. Resultantly, the domestic industry suffered material injury on account of low level of production, low level of capacity utilization, decline in market share, negative effect on inventories and growth. Besides, the Commission determined that the dumped imports are posing imminent threat of material injury to the domestic industry in terms of Section 19 of the Act on account of likely further increase in the volume of dumped imports, idle capacities of like product in the Exporting Countries, inventories/excess production of like product in the Exporting Countries and trade defense actions taken by other countries against China steel products</p>
<p>“The domestic industry/ Applicant is already over protected with duties and taxes has no room for any further measures or duties to be imposed and if the Commission does so, it will be highly unjust to the economy.”</p>	<p>The purpose of the imposition of the antidumping duties is to remove the unfair advantage being enjoyed by the exporters/foreign producers from the exporting countries which are exporting the investigated product at dumped prices rather to give undue protection to the domestic producer.</p>