

(NON – CONFIDENTIAL)



**Government of Pakistan
National Tariff Commission**

Report

On

Final Determination and Levy of Definitive Anti-Dumping Duties on Dumped Imports of Cold Rolled Coils/Sheets/Strips into Pakistan Originating in and/or Exported from Canada and the Russian Federation

**ADC NO 55/2019/NTC/CRC
March 16, 2020**

Final Determination and Levy of Definitive Anti-Dumping Duties on Dumped Imports of Cold Rolled Coils/Sheets/Strips in to Pakistan Originating in and/ or Exported from Canada and the Russian Federation

The National Tariff Commission (the "Commission") having regard to the Anti-Dumping Duties Act, 2015 (the "Act") and the Anti-Dumping Duties Rules, 2001 (the "Rules") is responsible to conduct anti-dumping investigations for imposition of anti-dumping duties to offset injurious impact of dumped imports on domestic industry and to ensure fair competition thereof, and to the WTO's Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (the "Antidumping Agreement").

2. The Commission has conducted an investigation on alleged dumped imports of cold-rolled (cold-reduced) flat-rolled products of iron or non-alloy steel, coils, sheets and strips of a thickness ranging from 0.15 mm to 3.00 mm into Pakistan originating in and/or exported from Canada and the Russian Federation (the "Exporting Countries"), under the Act and the Rules. The Commission has made final determination in this investigation under Section 39 of the Act. This report on final determination has been issued in accordance with Section 39(5) of the Act and Article 12.2 of the Agreement on Antidumping.

A. PROCEDURE

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

4. Receipt of Application

4.1 On March 29, 2019, the Commission received a written application under Section 20 and 24 of the Act from Aisha Steel Mills Limited, Karachi and International Steel Limited, Karachi (the "Applicants"). The Applicants are producers of cold-rolled (cold-reduced) flat-rolled products of iron or non-alloy steel, coils, sheets and strips of a thickness ranging from 0.15 mm to 3.00 mm ("CR Coils/Sheets/Strips"). The Applicants have alleged that CR Coils/Sheets/ Strips originating in and/or exported from the Exporting Countries are being dumped into Pakistan, which have caused and are causing material injury to the domestic industry producing CR Coils/Sheets/Strips.

4.2 The Commission informed Embassies of Canada and the Russian Federation in Islamabad through note verbal dated April 01, 2019 of the receipt of application in accordance with the requirements of Section 21 of the Act.

5. Evaluation and Examination of the Application

Examination of the application showed that it met requirements of Section 20 of the Act as it contained sufficient evidence of dumping of CR Coils/Sheets/Strips into Pakistan from the Exporting Countries and material injury to the domestic industry caused therefrom. Requirements of Rule 3 of the Rules, which relate to the submission of information prescribed therein were also found to have been met.

6. The Domestic Industry

6.1 Section 2(d) of the Act defines domestic industry as follows:

“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.

“Explanation:- For the purposes of this clause, producers shall be deemed to be related to exporters or importers only if

- (i) one of them directly or indirectly controls the other;*
- (ii) both of them are directly or indirectly controlled by the same third person; or*
- (iii) together they directly or indirectly control a third person:*

“Provided that there are grounds for believing or suspecting that the effect of the relationship is such as to cause the producer concerned to behave differently from non-related producers and for that purpose one shall be deemed to control another when the former is legally or operationally in a position to exercise restraint or direction over the latter.

6.2 The domestic industry producing CR Coils/Sheets/Strips consists of following four units and its installed production capacity was 1,480,000 MT during the period from 1st January to 31st December 2018. Aisha Steel Mills Limited has installed a new plant of a capacity of 230,000 MT per annum, operational since in May, 2019. Thus, currently total installed production capacity of the domestic industry is 1,710,000 MT per annum. However, Pakistan Steel Mills Ltd. is not in operation since 2015:

- i. Aisha Steel Mills Limited (“ASL”), Karachi;
- ii. International Steel Limited (“ISL”), Karachi;
- iii. AHN Steel Pvt. Limited, Lahore; and
- iv. Pakistan Steel Mills Limited, Karachi.

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6.3 Following table shows unit-wise installed capacity of the domestic industry:

**Table-I
Unit-wise Current Installed Production Capacity (MT)**

S. No.	Unit Name	Installed Capacity*
i.	Aisha Steel Mills Limited**	450,000
ii.	International Steel Limited ***	1,000,000
iii.	AHN Steel Limited	50,000
iv.	Pakistan Steel Mills Limited	210,000
v.	Total	1,710,000

* Installed capacity is determined on the basis of CR coils of 0.5/0.6 mm thickness on triple shift basis

** Installed capacity of ASL increased from 220,000 MT to 450,000 MT in May 2019

*** Installed capacity of ISL increased in 2018 from 500,000 MT to 1,000,000 MT

Sources: the Applicants and AHN Steel Pvt. Ltd.

7. Standing of the Application

7.1 Section 24 of the Act enjoins upon the Commission to assess the standing of the domestic industry on the basis of the degree of support for or opposition to the application expressed by the domestic producers of the domestic like product. Section 24(1) of the Act states as follows:

“.... 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.”

7.2 Furthermore, Section 24(2) of the Act provides that:

“..... no investigation shall be initiated when domestic producers expressly supporting an application account for less than twenty five percent of the total production of the domestic like product produced by the domestic industry.”

7.3 The application has been filed by the Applicants, which are the major producers of CR Coils/Sheets/Strips in Pakistan. The Applicants produced 396,333 MT of CR Coils/ Sheets/ Strips out of total production of 404,333 MT which is 98.02 percent of the total domestic production of CR Coils/Sheets/Strips from January 01 to December 31, 2018. The other unit in operation (AHN Steel Pvt. Limited) is a minor unit whereas the fourth unit in the industry, i.e. Pakistan Steel Mills Ltd. is not in operation since 2015. The following table shows standing of the application as per Section 24 of the Act:

**Table-II
Standing of the Application**

S. No	Unit Name	Share in total production		Status
		Volume (MT)	% of total	
i.	Aisha Steel Mills Limited	190,274	48.09	Applicant
ii.	International Steel Limited	206,059	49.97	Applicant
iii.	AHN Steel Pvt. Limited	8,000	1.94	Indifferent
	Total	404,333	100.00	

Source: the Applicants and AHN Steel Pvt. Ltd.

7.4 None of the domestic producers have opposed the application. The application is made by the domestic producers who account for 98.02 percent of the total production of the domestic like product. Thus, the application fulfills both requirements of Section 24 of the Act (paragraphs 9.1 and 9.2 supra). Therefore, it is determined that the application is made by the domestic industry.

8. **Applicants' Views**

8.1 The Applicants, *inter alia*, raised the following issues in application regarding alleged dumping of CR Coils/Sheets/Strips and material injury to the domestic industry caused therefrom:

- i. CR Coils/Sheets/Strips imported from the Exporting Countries into Pakistan and CR Coils/Sheets/Strips produced in Pakistan by the domestic industry are like products;
- ii. Exporters/producers from the Exporting Countries are exporting CR Coils/ Sheets/ Strips to Pakistan at dumped prices; and
- iii. Exports of CR Coils/Sheets/Strips 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 CR Coils/ Sheets/ Strips mainly through:
 - (a) Increase in volume of dumped imports;
 - (b) price undercutting;
 - (c) price suppression;
 - (d) decline in productivity;
 - (e) decline in capacity utilization;
 - (f) decline in sales;
 - (g) decline in profits;
 - (h) decline in return on investment;
 - (i) negative effect on inventories;

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- (j) negative effect on cash flows;
- (k) magnitude of dumping margins

8.2 The Applicants has also claimed that there is threat of material injury to the domestic industry.

8.3 The Applicants had made following requests to the Commission:

- i. Initiate an investigation on dumping of CR Coils/Sheets/Strips from the Exporting Countries under Section 23 of the Act;
- ii. Impose appropriate antidumping duties on dumped imports of CR Coils/ Sheets/ Strips in accordance with Section 50 of the Act; and
- iii. Impose provisional measures under Section 43 of the Act to prevent injury being caused during the investigation.

9. Anti-dumping Duties In-place on Dumped Imports of CR Coils/Sheets/Strips:

On request of M/s Aisha Steel Mills Limited, Karachi, the Commission initiated an investigation on July 16, 2015 on alleged dumping of CR Coils/Sheets/Strips from the People’s Republic of China and Ukraine. The Commission made final determination in that investigation on January 19, 2017 and imposed following antidumping duties for a period of five years with effect from January 13, 2016:

**Table-III
Anti-dumping Duties in Place**

Country	Country/Exporter/Foreign Producer	Antidumping Duty Rate (%)
China	Shougang Casey Steel Company Limited	19.04
	Shougang Jingtang United Iron & Steel Company Limited	19.04
	Beijing Shougang Cold Rolling Company Limited	16.27
	Handan Iron & Steel Group Han-Bao Company Limited	13.17
	Maanshan Iron & Steel Company Limited	19.04
	All others	19.04
Ukraine	Zaporizhstal Integrated Iron-and-Steel Works	18.92
	Ilyich Iron and Steel Works of Mariupol	18.36
	All others	18.92

10. Exporters/ Producers of CR Coils/Sheets/Strips from the Exporting Countries

In application, the Applicants have identified 25 exporters/producers involved in alleged dumping of the investigated product from the Exporting Countries. The Applicants have also stated that there may be other exporters/producers of CR Coils/ Sheets/ Strips in the Exporting Countries, which are not known to them. Therefore, the

Applicants have requested for imposition of antidumping duties on all imports of CR Coils/Sheets/Strips originating in and/or exported from the Exporting Countries.

11. Initiation of Investigation

11.1 The Commission examined accuracy and adequacy of the evidence and information provided in the application in accordance with Section 23 of the Act, and established that there was sufficient evidence of alleged dumping of CR Coils/Sheets/ Strips into Pakistan from exporting countries and consequent alleged material injury to the domestic industry. Therefore, the Commission decided to initiate an investigation in this case on May 09, 2019.

11.2 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 May 11, 2019. Investigation concerning alleged dumped imports of CR Coils/ Sheets/Strips into Pakistan originating in and/or exported from the Exporting Countries was thus initiated on May 11, 2019 in accordance with Section 27(2) of the Act.

11.3 In pursuance of Section 27 of the Act the Commission notified Embassies of the Exporting Countries in Islamabad of initiation of the investigation (by sending a copy of the notice of initiation) on May 13, 2019 with a request to forward it to all exporters/ producers involved in production, sales and export of CR Coils/Sheets/Strips in the Exporting Countries. Copy of the notice of initiation was also sent to exporters/ producers directly (whose addresses were available with the Commission), Pakistani importers, the Applicants and other domestic producers on May 13-14, 2019.

11.4 In accordance with Section 28 of the Act copies of full text of the written application (non-confidential version) were sent on 13 and 14 May 2019 to all exporters/ producers, whose complete addresses were available with the Commission and to the Embassies of the Exporting Countries in Islamabad with a request to forward it to their respective exporters/ producers involved in production, sale and/or export of CR Coils/ Sheets/ Strips.

12. Investigated Product, Domestic Like Product and Like Product

12.1 Sub-sections (k), (e) and (m) of Section 2 of the Act defines investigated product, domestic like product and like product as follows:

¹ The official Gazette of Pakistan (Extraordinary) dated May 11, 2019.

² The daily 'Business Recorder' and 'Jang' of May 11, 2019 issues.

- 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”.

12.2 For the purposes of this investigation and given the definitions set out above, investigated product, domestic like product and like product are defined in the following paragraphs.

12.3 **Investigated Product:**

12.3.1 The investigated product is flat-rolled products of iron or non- alloy steel, cold rolled (cold- reduced), not clad, plated or coated (“CR Coils/Sheets/Strips”), of prime and secondary quality, of a thickness ranging from 0.15 mm to 3.00 mm, originating in and/or exported from the Exporting Countries to Pakistan (the “investigated product”). The investigated product is falling under Pakistan Customs Tariff (“PCT”) Nos. 7209.1510, 7209.1590, 7209.1610, 7209.1690, 7209.1710, 7209.1790, 7209.1810, 7209.1890, 7209.1891, 7209.1899, 7209.2510, 7209.2590, 7209.2610, 7209.2690, 7209.2710, 7209.2790, 7209.2810, 7209.2890 and 7211.2920.

12.3.2 The Investigated product is used for fabrication of steel products for construction, storage racks, automotive parts and bodies, railway coaches, highway products, transmission towers, transmission poles, pipes, household products, firearms, various types of equipment etc.

12.3.3 According to the Applicants CR Coils/Sheets/Strips that meet technical requirements, which are specified in the standards, are categorized as prime quality product and which do not meet technical requirements and specified criteria of the standards are termed as non-prime or secondary quality product, such as variation in specifications, chemical composition, deviation in mechanical properties i.e. tensile strength, yield strength, hardness surface imperfections, scratches, dents, cross break marks, rust, oxidation marks, wrinkles, metal sticking, damaged/torn/bent edges etc.

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12.3.4 Tariff structure applicable on import of CR Coils/ Sheets/ Strips is given in the following table:

**Table- IV
Tariff Structure**

PCT Heading	Description	Customs + Add. Duty		RD	FTAs/PTAs
		2018-19	2019-20		
Chapter 72	Iron and Steel				
72.09	Flat- rolled products of iron or non- alloy steel, of a width of 600mm or more, cold-rolled (cold-reduced), not clad, plated or coated.				
	- In coils, not further worked than cold-rolled (cold-reduced)				
	- - Of a thickness of 3mm or more;				
7209.1510	--- Of secondary quality	20+2	20+7	5	CN_16; MY=10; SAFTA=5; LK_FTA Conc. = 100%
7209.1590	--- Other	11+2	11+2	5	CN_5; MY=10; SAFTA=5; LK_FTA Conc. = 100%
- - Of a thickness exceeding 1mm but less than 3mm					
7209.1610	--- Of secondary quality	20+2	20+7	5	CN_16; MY=10; SAFTA=5; LK_FTA Conc. = 100%
7209.1690	--- Others	11+2	11+2	5	CN_5; MY=10; SAFTA=5; LK_FTA Conc. = 100%
- - Of a thickness of 0.5mm or more but not exceeding 1mm					
7209.1710	--- Of secondary quality	20+2	20+7	5	CN_16; MY=10; SAFTA=5; LK_FTA Conc. = 100%
7209.1790	--- Other	11+2	11+2	5	CN_5; MY=10; SAFTA=5; LK_FTA Conc. = 100%
- - Of a thickness of less than 0.5mm					
7209.1810	--- Of secondary quality	20+2	20+7	5	CN_16; MY=10; SAFTA=5; LK_FTA Conc. = 100%
7209.1890	--- Other	11+2	11+2	5	CN_5; MY=10; SAFTA=5; LK_FTA Conc. = 100%
7209.1891	---- Tin mill black plate of thickness 0.30 mm or less	11+2	11+2	5	CN_5; MY=10; SAFTA=5; LK_FTA Conc. = 100%
7209.1899	--- Other	11+2	11+2	5	CN_5; MY=10; SAFTA=5; LK_FTA Conc. = 100%
- Not in coils, not further worked than cold- rolled (cold-reduced)					
- - Of a thickness of 3mm or more:					
7209.2510	--- Of secondary quality	20+2	20+7	5	CN_16; MY=10; SAFTA=5; LK_FTA Conc. = 100%
7209.2590	--- Other	11+2	11+2	5	CN_5; MY=10; SAFTA=5; LK_FTA Conc. = 100%
- - Of a thickness exceeding 1mm but less than 3mm					
7209.2610	--- Of secondary quality	20+2	20+7	5	CN_16; MY=10; LK_FTA Conc. = 100%
7209.2690	--- Other	11+2	11+2	5	CN_5; MY=10; LK_FTA Conc. = 100%
- - Of a thickness exceeding 0.5mm but not exceeding 1mm					
7209.2710	--- Of secondary quality	20+2	20+7	5	CN_16; MY=10; LK_FTA Conc. = 100%
7209.2790	--- Other	11+2	11+2	5	CN_5; MY=10; LK_FTA Conc. = 100%

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		- - Of a thickness of less than 0.5 mm			
7209.2810	- - - Of secondary quality	20+2	20+7	5	CN_16; MY=10; SAFTA=5; LK_FTA Conc. = 100%
7209.2890	- - - Other	11+2	11+2	5	CN_5; MY=10; SAFTA=5; LK_FTA Conc. = 100%
		- Not further worked than cold-rolled (cold reduced)			
		- - Not containing by weight less than 0.25% of carbon			
7211.2920	- - - Cold rolled steel strips of thickness below 0.5mm and upto 100 mm wide	3+2	3+2	-	CN_5; MY=10; SAFTA=5; LK_FTA Conc. = 100%

Source: Pakistan Customs Tariff 2019-20

12.4 Domestic Like Product

12.4.1 Domestic like product means the like product that is produced by the domestic industry. The domestically produced product is flat-rolled products of iron or non- alloy steel, cold- rolled (cold- reduced), not clad, plated or coated (“CR Coils/Sheets/Strips”), of prime and secondary quality, of a thickness ranging from 0.15 mm to 3.00 mm (the “domestic like product”). The domestic like product is classified under PCT Nos. 7209.1510, 7209.1590, 7209.1610, 7209.1690, 7209.1710, 7209.1790, 7209.1810, 7209.1890, 7209.1891, 7209.1899, 7209.2510, 7209.2590, 7209.2610, 7209.2690, 7209.2710, 7209.2790, 7209.2810, 7209.2890 and 7211.2920.

12.4.2 The domestic like product is also used for fabrication of steel products for construction, storage racks, automotive parts and bodies, railway coaches, highway products, transmission towers, transmission poles, pipes, household products, firearms, various types of equipment etc.

12.5 Like Products:

12.5.1 In terms of Section 2(m) of the Act, like product means a product, which is alike to an investigated product in all respects or, in the absence of such a product, another product which, although not alike in all respects, has characteristics closely resembling those of the investigated product.

12.5.2 For the purposes of determination of dumping of the investigated product the like product is CR coils/sheets/strips produced and sold by the exporters/producers of the Exporting Countries in their domestic market as well as exported to the countries other than Pakistan. For the purposes of determination of injury to the domestic industry the like product is CR coils/sheets/strips imported into Pakistan from countries other than the Exporting Countries.

12.5.3 There is no difference between the investigated product, the domestic like product and the CR coils/sheets/strips imported from sources other than the Exporting Countries as all the three products are:

- i. produced with same/similar inputs and manufacturing process;
- ii. have same/similar appearance;
- iii. are substitutable in use and application.

12.5.4 Therefore, the Commission is satisfied that the investigated product, domestic like product and CR coils/sheets/strips imported from sources other than the Exporting Countries are like products.

13. **Period of Investigation**

13.1 In terms of Section 36 of the Act, Period of Investigation ("POI") is:

- i. *"for the purposes of an investigation of dumping, an investigation period shall normally cover twelve months preceding the month of initiation of the investigation for which data is available and in no case the investigation period shall be shorter than six months."*
- ii. *"for the purposes of an investigation of injury, the investigation period shall normally cover thirty-six months:
"Provided that the Commission may at its sole discretion, select a shorter or longer period if it deems it appropriate in view of the available information regarding domestic industry and an investigated product".*

13.2 The POI selected for the purposes of this investigation for dumping and injury are, as follows:

For determination of dumping: From January 01, 2018 to December 31, 2018
For determination of injury: From January 01, 2016 to December 31, 2018

14. **Information/Data Gathering**

14.1 The Commission sent questionnaires on 13 May 2019 to the Embassies of the Exporting Countries in Islamabad with a request to forward it to all exporters/ producers of the investigated product in their respective country. Exporter's questionnaire was also sent directly to exporters/ producers based in the Exporting Countries whose addresses were available to the Commission on 13-14 May 2019 for collection of data and information necessary for this investigation. The exporters/ producers were asked to supply information within 37 days of the dispatch of questionnaire. However, none of the exporters/ producers from the Exporting Countries responded to the Commission and did not provide requisite information within stipulated time period. Therefore, reminders were issued to the exporters/foreign producers on July 04, 2019 explaining that, if no response of the questionnaire is submitted by the exporters/ foreign

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producers, the Commission will be constrained to make preliminary and/or final determination of dumping in this investigation on the basis of “Best Information Available” including those contained in the application submitted by the domestic industry, in terms of Section 32 of the Act. However, no response was received from any exporter/ foreign producer.

14.2 On May 14, 2019 questionnaires were sent to Pakistani importers of the investigated product known to the Commission and these importers were asked to respond to the Commission within 37 days of the dispatch of the questionnaires. None of the Pakistani importer responded to the Commission for provision of the requisite information. On May 13, 2019 questionnaire was also sent to the other domestic producer i.e. AHN Steel Pvt., Ltd. for necessary information. However, AHN Steel Pvt., Ltd. did not respond to the Commission.

14.3 The Commission has access to the 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 final determination the Commission has used import data obtained from PRAL in addition to the information provided by the Applicants and obtained from other publically available sources including the UK-based journal Metal Bulletin Research (“MBR”).

14.4 Interested parties were invited to offer their views/comments and submit information (if any) relevant to this investigation within 45 days of initiation of investigation. The Commission received written submissions/comments from the following parties:

- i. Ministry of Economic Development of the Russian Federation
- ii. Magnitogorsk iron & steel works (“MMK”), Russia

14.5 Views/comments and the information submitted by the above-mentioned interested parties have been considered in making this final determination.

14.6 Thus, the Commission has sought from all available sources the relevant data and information deemed necessary for the purposes of this investigation. Therefore, this final determination is based on the information available to the Commission.

14.7 In terms of Rule 12 of the Rules, during the course of this investigation, the Commission satisfied itself as to the accuracy of information supplied by the interested parties to the extent possible.

15. Verification of the Information

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

15.2 In order to verify the information/data provided by the Applicants and to obtain further information (if any), officers of the Commission conducted on-the-spot investigations at offices and plants of the Applicants from June 17 to 21, 2019.

15.3 The reports of on the spot investigations/verifications conducted at premises of the Applicants were provided in full to the Applicants. Non-confidential versions of the on-the-spot investigations/verifications are made available to other interested parties by placing the same on the public.

16. Public File

The Commission, in accordance with Rule 7 of the Rules, has established and maintained a public file at its office. This file remains available to the interested parties for review and copying from Monday to Thursday between 11.00 hours to 13.00 hours throughout the investigation (except public holidays). This file contains non-confidential versions of the application, responses to the questionnaires, submissions, notices, correspondence, and other documents for disclosure to the interested parties.

17. Confidentiality

17.1 In terms of Section 31 of the 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.

17.2 The Applicants 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, investment, salaries & wages, number of employees etc. In addition to this, the Applicants have also provided certain other information on confidential basis under Section 31(2)(c), as such information, e.g. export or import price and import volume of the investigated product, may lead to the disclosure of the by nature confidential information of the Applicants by way of reverse calculations. However, the Applicants have submitted non-confidential summaries of the confidential information in accordance with the Section 31(5) of the Act. Non-confidential summaries

permit a reasonable understanding of the information submitted in the confidence.

17.3 Pursuant to requests made by the Applicants and other interested parties to treat certain information as confidential, the Commission has determined the confidentiality in light of Section 31 of the Act, and for the reasons that disclosure of such information may be of significant competitive advantage to a competitor, or because its disclosure would have a significant adverse effect upon the interested parties providing such information.

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

18. **Preliminary Determination**

18.1 The Commission made preliminary determination in this investigation on September 18, 2019 in terms of Section 37 of the Act and imposed provisional antidumping duty at the rate of 13.94 percent ad valorem of the C&F price on the dumped imports of the investigated product importable from the Exporting Countries for a period of four months.

18.2 The Commission issued a notice of preliminary determination, which was published on September 20, 2019 in Official Gazette of Pakistan and in two widely circulated national newspapers (the daily "Business Recorder" and "Express" of 20th September 2019) notifying the preliminary determination and levy of provisional anti-dumping duty.

18.3 On September 20, 2019 the Commission sent copy of the notice of preliminary determination to Embassies of the Exporting Countries in Islamabad, the exporters, the importers, domestic producers and the Applicant in accordance with the requirements of Section 37(4) of the Act. A detailed report (non-confidential version) of the preliminary determination is placed at the public file and is also posted on Commission's website: www.ntc.gov.pk

19. **Views, Comments and Hearing**

19.1 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 received written submissions/comments on preliminary determination from following interested parties:

- i. Ministry of Economic Development of The Russian Federation
- ii. Magnitogorsk Iron & Steel works ("MMK"), Russia;

- iii. Siddiqsons Tinplate Limited;
- iv. International Steel Limited; and
- v. Aisha Steel Limited

19.2 Views/comments received from interested parties are duly considered by the Commission while making this final determination.

19.3 Upon request of Ministry of Economic Development of the Russian Federation and Siddiqsons Tinplate Limited, a hearing in this investigation was held on November 12, 2019 under Rule 14 of the Rules. All interested parties were invited to attend the hearing. The views/comments and information submitted by the interested parties and presented by the participants during the hearing were made available to other interested parties by placing the same on the public file. Further, views/comments presented by interested parties during the hearing are duly considered by the Commission while making this final determination

20. **Disclosure of Statement of Essential Facts**

20.1 In terms of Rules 14(8) of the Rules, and Article 6.9 of Agreement on Antidumping, the Commission disclosed essential facts, and in this context dispatched a Statement of Essential Facts (the "SEF") on January 08, 2020 to all interested parties including the known exporters/producers, the Applicants, other domestic producers, known Pakistani importers, and to the High Commission of Canada & the Embassy of the Russian Federation in Pakistan.

20.2 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. Following parties have submitted comments of SEF:

- i. Ministry of Economic Development of The Russian Federation
- ii. Magnitogorsk Iron & Steel works ("MMK"), Russia;
- iii. International Steel Limited; and
- iv. Aisha Steel Limited

20.3 views/comments presented by interested parties in response to the SEF are duly considered by the Commission while making this final determination.

20.4 Views/Comments of the interested parties received in this investigation that germane to the investigation and response of the Commission are provided at Annex-I of this report.

B. DETERMINATION OF DUMPING

21. Dumping

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

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

22. Normal Value

22.1 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”.

22.2 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.”.

22.3 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 –

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- “(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.”

23. Export Price

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

24. Dumping Determination

As stated earlier (paragraph 14 supra) the Commission sent questionnaires directly to exporters/ producers whose complete addresses were available with the Commission. A copy of the questionnaire was also provided to the embassies of the Exporting Countries in Islamabad with a request to forward it to all exporters/ foreign producers of the investigated product to submit information to the Commission. However, the Commission did not receive information in response to the questionnaire from any of the exporter/ foreign producer of the investigated product in this investigation. Therefore, dumping of the investigated product in this final determination is determined on the basis of best information available in accordance with Section 32 of the Act. Details of determination of normal value, export price and dumping margin are provided in the following paragraphs.

25. Determination of Normal Values for the Exporting Countries

25.1 The Commission has determined normal value for Russian Federation on the basis of domestic prices of CR Coils/ Sheets/Strips obtained from an online portal of the Metal Bulletin, www.metalbulletin.com, which is a paid site/subscription.

25.2 Russian domestic prices of CR Coils/Sheets/Strips are available at Metal Bulletin, whereas, Canadian domestic prices of CR Coils/Sheets/Strips are not available at Metal Bulletin. Domestic prices reported at Metal Bulletin for Russia are inclusive of value added tax ("VAT") and carriage. In order to arrive at ex-factory price level, VAT at the rate of 18 percent and carriage @ US\$ 10/MT have been deducted from the reported price. The evidence of 18 percent VAT is obtained from <http://taxsummaries.pwc.com>.

25.3 Normal value of the investigated product for Canada is constructed on the basis of the cost of production in the exporting country plus a reasonable amount for administrative, selling and general costs and profits in accordance with Section 6 of the Act. Following are the basis of construction of the normal value for Canada:

- i. The weighted average cost of raw material/input (hot rolled coils) of the Applicants is deflated by deducting the customs duties and incidental charges to reach at C&F/ international price of inputs.
- ii. The price of raw materials/inputs arrived at as per explanation given above is multiplied with the per unit consumption of the raw material to arrive at raw material cost per unit. Consumption of raw material per unit is based on the yearly average of the Applicants.
- iii. Factory overheads of the Applicants to produce one MT of CR Coils/ Sheets/ Strips have been multiplied by with electricity/fuel/gas rates prevailing in Canada to arrive at overheads cost in construction of normal value. Electricity/fuel/gas rates for Canada are obtained from the website www.tradingeconomics.com.
- iv. Selling, admin and financial expenses of the Applicants are adjusted in accordance with interest rates prevailing in Canada. Information on interest rates is obtained from the website www.tradingeconomics.com.
- v. Profit at the rate of 5 percent of the constructed cost to make and sell has been applied to reach at constructed normal value of the investigated product for Canada.

25.4 As the investigated product under Pakistan Customs is classified as "secondary quality" and "other" (paragraph 12.3.4 supra), therefore, normal values should also be

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determined for secondary quality and other or prime quality for like to like comparison with export price of the investigated product.

25.5 Prices reported at Metal Bulletin for Russian Federation and constructed normal value for Canada are for prime quality CR coils/sheets/strips. To reach at secondary quality prices, the prime quality prices/normal values are discounted with the same ratio that pertains to the import prices of prime and secondary CR coils/sheets/strips imported from Russian Federation during the POI for dumping. This difference works out 26.66 percent. Therefore, to determine normal value of the investigated product for the imports under "secondary quality" the respective prices/normal values are lowered by 26.66 percent.

25.6 Normal values of the investigated product for the Exporting Countries, determined on the fore-going basis, are provided in the following table:

**Table-V
Normal Values**

Russian Federation		Canada	
Description	Value	Description	Value
Market price	100.00	Raw materials cost	65.03
VAT	15.25	Factory overheads	6.12
Inland freight	1.29	Operating & financial costs	2.49
Ex-works price (Prime)	83.46	Profits	3.68
Ex-works price (Secondary)	61.21	Constructed value (prime)	77.31
		Constructed value (secondary)	56.70

Source: the Metal Bulletin and Commission's working

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t Market price of Russian Federation.

26. Determination of Export Prices of the Investigated Product

26.1 In terms of section 10 of the Act, export price shall be a price actually paid or payable for an investigated product when sold for export from an exporting country to Pakistan.

26.2 As stated earlier (paragraph 14 supra) none of the exporter/ producers from the Exporting Countries provided information in response to the questionnaire, therefore, export price has been worked out on the basis of the information/data obtained from PRAL on imports of the investigated product during the POI.

26.3 The data obtained from PRAL shows prices at C & F level. To reach at ex-factory level the C&F export prices are adjusted on account of ocean freight, inland freight, and marine insurance. In support of ocean freight, the Applicants submitted a quotation obtained from a freight forwarding agency. Inland freight US\$ 10 per MT and one percent of the C&F price as marine insurance cost are assumed respectively.

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26.4 Based on the above information, export prices of the investigated product for the Exporting Countries during the POI are given in the following table.

**Table-VI
Export Prices**

Country	Canada			Russian Federation		
	Secondary	Other	Total	Secondary	Other	Total
C&F Price	62.06	--	62.06	58.92	80.34	78.54
Ocean freight	15.23	--	15.23	7.61	7.61	7.61
Inland freight	1.29	--	1.29	1.29	1.29	1.29
Insurance	0.62	--	0.62	0.59	0.80	0.78
Adjusted price	44.92	--	44.92	49.44	70.64	68.86

Source: PRAL and the Applicant

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t Market price of Russian Federation as per table-V supra.

27. Dumping Margin

27.1 Section 2(f) of the Act defines dumping margin in relation to a product as “*the amount by which normal value exceeds its export price*”.

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

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

27.2 Taking into account the requirements of Section 11 of the Act, dumping margins for the Exporting Countries work out as follows:

**Table-VII
Dumping Margins**

Description	Canada			Russian Federation		
	Secondary	Prime	Total	Secondary	Prime	Total
Dumping margin (%)	26.23%	--	26.23%	23.82%	18.15%	18.49%
Dumping margin % of C&F price	18.98%		18.98%	19.98%	15.96%	16.21%

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

28.1 In terms of Section 41(3) of the Act, dumping margin shall be considered to be negligible if it is less than two percent, expressed as a percentage of the export price. Dumping margins, set out in paragraph 26.2 supra, are above the *de minimis* level.

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28.2 As regards the volume of dumped imports, Section 41(3) of the Act provides that the dumped imports shall normally be regarded as negligible if the volume of dumped imports of an investigated product is found to account for less than three percent of total imports of a like product unless imports of the investigated product from all countries under investigation which individually account for less than three percent of the total imports of a like product collectively account for more than seven per cent of the imports of like product. The information/data on dumped imports of the investigated product and other imports of CR Coils/Sheets/Strips has been obtained from PRAL. Volume of dumped imports of the investigated product and the CR Coils/Sheets/Strips imported from other sources during the POI (January 01, 2018 to December 31, 2018) is given in the table below:

**Table-VII
Volume of Imports of CR Coils/Sheets/Strips**

Source of import	% of total
Canada	7.21
Russia	43.57
China	11.17
Ukraine	--
Other sources	38.05
Total	100.00

Source: PRAL

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

C. INJURY TO THE DOMESTIC INDUSTRY

29. Determination of Injury

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

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

- a. *volume of dumped imports;*
- b. *effect of dumped imports on prices in domestic market for like products; and*
- c. *Consequent impact of dumped imports on domestic producers of such products...”*

29.2 Section 15 of the Act further provides that:

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

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

29.4 As stated earlier that there are four units in the domestic industry (paragraph 8 supra). Out of four, two major units are the Applicants in this case. The other unit in operation (AHN Steel Pvt. Limited) is a minor unit whereas the fourth unit in the industry, Pakistan Steel Mills Ltd. is not in operation since 2015. The third unit in operation i.e. AHN Steel Pvt. Limited was asked for necessary information, however, it did not respond. Therefore, analysis of the injury factors is based on the Applicants information. As the Applicants produced 98 percent of the total domestic production of CR Coils/ Sheets/ Strips during the POI, therefore the Applicants are considered as domestic industry for the purposes of this investigation.

30. **Cumulation of Dumped Imports**

30.1 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...., and volume of dumped imports from each investigated country is not less than the negligible quantity as specified.....; and

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

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

30.2 Dumping margin for each Exporting Country is more than the negligible amount (paragraph 26.2 supra). Further, the volume of dumped imports during the POI from each Exporting Country individually was also well above the negligible quantity (paragraph 27.2 supra).

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30.3 Information obtained from PRAL showed that, during the POI, imports of the investigated product from Canada were of secondary quality only and from Russia both secondary quality and prime quality were imported. Landed cost of the secondary quality CR Coils/Sheets/Strips imported from Canada and Russia is in the same range. Therefore, there was a competition between dumped imports of the investigated product. Volume of imports and weighted average landed cost of the investigated product from the Exporting Countries during the POI for dumping is provided in the table below:

**Table-VIII
Volume and Landed Cost of Dumped Imports**

Description	Canada		Russia	
	Secondary	Prime	Secondary	Prime
Import volume	100.00	--	50.71	553.35
C&F price*	77.25	--	73.34	100.00
Landed cost per MT**	116.32	--	110.44	140.06

Source: PRAL

* To maintain confidentiality, actual prices have been indexed with respect to the Canada's volume and Russian Federation's C&F price of prime quality by taking them equal to 100.00

** Landed cost= customs duty+additional duty+regulatory duty+sales tax+incidentals@2%

30.4 The information provided in the above table shows that there was a competition between dumped imports of the investigated product from the Exporting Countries during the POI.

30.5 The investigation has also revealed that there was a competition between investigated product and the domestic like product. Conditions of competition between imports of the investigated product and the domestic like product are discussed in detail in the following paragraphs.

30.6 For the reasons given above, the effects of dumped imports on the domestic industry have been cumulatively assessed in the following paragraphs:

31. Volume of Dumped Imports

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

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

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**Table-IX
Volume of Dumped Imports**

Year	Domestic production (MT)	Imports (MT) from:			Dumped imports as % of:	
		Dumped Sources	Other Sources	Total	Domestic production	Total imports
2016	92.57	39.20	60.80	100.00	42.35	39.20
2017	108.57	11.47	46.75	58.22	10.55	19.70
2018	101.37	38.44	37.25	75.69	37.92	50.78

Sources: PRAL & the Applicants

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of total imports for the year 2016 by taking it equal to 100.

31.3 It may be noted from the above table that the volume of dumped imports of the investigated product increased significantly in absolute during the year 2018, which is the POI for dumping as compared to the imports in the year 2017.

31.4 There was a sharp decline in imports of CR Coils/ Sheets/ Strips from dumped as well as other sources in the year 2017, whereas domestic production increased significantly during this year. Investigation of the Commission has shown that imposition of antidumping duties on dumped imports of CR Coils/ Sheets/ Strips from China and Ukraine in 2017 (paragraph 9 supra) affected positively to the domestic production of CR Coils/ Sheets/ Strips. Resultantly production of the domestic like product increased significantly in 2017. Total domestic market declined by 12 percent in 2017 (paragraph 33.1 infra) coupled with significant increase in domestic industry's sales in this year affected negatively to the imports of the investigated product during this year. Resultantly imports of the investigated product during 2017 declined significantly. However, in the year 2018 the investigated product replaced the domestic like product in the domestic market, therefore, volume of dumped imports of the investigated product increased significantly in the year 2018, which is the POI for dumping.

31.5 Volume of dumped imports of the investigated product also increased significantly during the POI relative to production of the domestic like product. Dumped imports of the investigated product, which were 42.35 percent of the domestic production in the year 2016 declined to 10.55 percent of domestic production in the year 2017 and increased to 37.92 percent of domestic production in the year 2018.

31.5 On the basis of the above information and analysis the Commission has determined that the volume of dumped imports of the investigated product increased significantly during the POI for dumping.

32. Price Effects:

Effect of dumped imports on sales price of the domestic like product in the domestic market has been examined to establish whether there was significant price undercutting (the extent to which the price of the investigated product was lower than the price of the domestic like product), price depression (the extent to which the domestic industry experienced a decrease in its selling prices of domestic like product over time), or price suppression (the extent to which increased cost could not be recovered by way of increase in selling price of the domestic like product). Effects of dumped imports on price of the domestic like product are analyzed in following paragraphs.

32.1 Price Undercutting

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

**Table-X
Price Undercutting**

Year	Domestic like product's price	Landed cost of dumped imports	Price undercutting
2016	100.00	82.06	17.94
2017	138.08	124.27	10.00
2018	170.79	162.43	4.90

Note: Domestic price and landed cost are without sales tax

Sources: The Applicants and PRAL

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t price of the of domestic like product of the year 2016 by taking it equal to 100.

32.1.2 The information provided in the above table shows that the weighted average landed cost of the investigated product remained lower than the weighted average ex-factory price of the domestic like product throughout the POI. The landed cost of the investigated product under cut the prices of the domestic like product ranging from 4.90 percent to 17.94 percent during the POI.

32.2 Price Depression

32.2.1 Sales prices of the domestic like product during the POI are given in table below;

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**Table–XI
Price Depression**

Year	Domestic like product's price	Price Depression
2016	100.00	---
2017	138.08	---
2018	170.79	---

Source: The Applicants

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of domestic like product of 2016 by taking it equal to 100.

32.2.2 The above table shows that the domestic industry did not face price depression during the POI for injury.

32.3 Price Suppression

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

**Table-XII
Price Suppression**

Year	Cost to make & sell of domestic like product	Domestic like product's price	Increase in domestic like product's:				Price suppression	
			Cost to make & sell		Price			%
				%		%		
2016	91.67	100.00	--	--	--	--	--	--
2017	121.49	138.08	29.81	32.52	38.08	38.08	--	--
2018	159.31	170.79	37.83	31.14	32.71	23.69	5.12	3.00

Source: The Applicants

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of domestic like product of 2016 by taking it equal to 100.

32.3.2 The above table shows that average cost to make & sell of the domestic like product increased by 32.52 percent and 31.14 percent during the year 2017 and 2018 respectively. Investigation of the Commission has shown that the prime cause of increase in cost to make and sell was increase in raw materials cost. There was an increase of 41 percent and 28 percent in raw materials cost during 2017 and 2018 respectively. As the raw materials accounted for 83 percent, 88 percent and 86 percent of the cost to make and sell in the years 2016, 2017 and 2018 respectively, therefore, the major cause in increase of cost to make and sell during the POI was the price increase of raw materials.

32.3.3 The sale price of the domestic industry increased by 38.08 percent and 23.69 percent during the years 2017 and 2018 respectively. Thus, the domestic industry was able to raise its prices more than the increase in the weighted average cost to make and

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sell during the year 2017. However, during the year 2018 the domestic industry's cost to make and sell increased more than the increase in the prices hence the domestic industry suffered price suppression in the year 2018.

33. Effects on Market Share

33.1 Total domestic demand of CR Coils/ Sheets/ Strips in Pakistan is met through local production and imports. Size of the domestic market is established by adding sales of domestic like product and imports of the investigated product from dumped sources and imports of CR Coils/ Sheets/Strips from other sources. Following table shows the market share from each source of supply during the POI:

**Table-XIII
Market Share**

Year	Domestic industry		Sources of Imports:						Total domestic market	
			Dumped		Other Dumped**		All others			
	Volume*	%share	Volume*	%share	Volume*	%share	Volume*	%share	Volume*	%change
2016	47.36	47.36	20.64	20.64	15.16	15.16	16.85	16.85	100.00	--
2017	57.37	65.18	6.04	6.86	5.19	5.89	19.42	22.07	88.02	-11.98
2018	47.57	54.42	20.23	23.15	4.45	5.09	15.16	17.34	87.41	-0.69

* To maintain confidentiality, actual figures have been indexed with respect to the total domestic market in the year 2016 by taking it equal to 100.00.

** "Other dumped" are China and Ukraine where antidumping duties are imposed, however, there are no imports from Ukraine

33.2 The above table shows that the domestic market of CR Coils/Sheets/Strips decreased by 12 percent and 1 percent during the years 2017 and 2018 respectively.

33.3 Domestic industry's market share increased from 47 percent during the year 2016 to 65 percent during the year 2017 and then decreased to 55 percent during the year 2018.

33.4 Market share of the dumped imports of the investigated product decreased from 21 percent in the year 2016 to 7 percent during the year 2017 and then increase to 23 percent during the year 2018 despite decline in the total market.

33.5 Market share of imports from China, which is subject to antidumping duty, has decreased from 15 percent during the year 2016 to 5 percent during the year 2018. Market share of imports from other sources increased from 17 percent in the year 2016 to 22 percent in the year 2017 and decreased again to 17 percent in the year 2018.

33.6 The sharp decline in imports of CR Coils/ Sheets/ Strips from dumped as well as other sources in the year 2017 was due to imposition of antidumping duties on dumped

imports of CR Coils/ Sheets/ Strips from China and Ukraine in 2017 (paragraph 9 supra), which affected positively to the domestic production and sales of CR Coils/ Sheets/ Strips. Resultantly sales of the domestic like product increased significantly in 2017. Significant increase in domestic industry's sales coupled with declined by 12 percent in total domestic market in 2017 was the cause of decline in market share of the investigated product as well as imports from other sources. However, in the year 2018 the investigated product replaced the domestic like product in the domestic market, therefore, market share of the investigated product increased significantly in the year 2018, which is the POI for dumping.

34. Effect on Sales of the Domestic Like Product

34.1 Information on domestic sales of the domestic like product by the Applicants during the POI is given in the following table:

**Table-XIV
Domestic Sales of the Applicants**

Year	Volume (MT)	% change
2016	100.00	--
2017	121.13	21.13
2018	100.44	-17.08

Source: the Applicants

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of volume of 2016 by taking it equal to 100.

34.2 The above table shows that domestic sales of the domestic like product increased by 21.13 during the year 2017 and decreased by 17.08 percent in the year 2018.

35. Effects on Production and Capacity Utilization

35.1 One of the Applicants, M/s International Steel Limited, is a multi product company. During the POI it also produced galvanized and coloured coils/sheets in addition to the CR Coils/Sheets/Strips. On query, the company has stated the following with respect to the in-house usage of CR coils, "*CR Coils in hard form are also used in manufacturing for Galvanized Coils/ Sheets as well as Color Coated Coils/ Sheets. As per accounting system of ISL and its production flow, each production batch is separately identifiable with its finished product from the very start of the production process. Therefore, instead of recording production of such CR Coils in hard form as production of CR Coils, it is recorded as work in process inventory of the Galvanized Coils. Since as per process flow, such CR Coils in hard form are not recorded as production of the CR Coils, no internal transfer arise.*" Keeping in view the above statement, as production figures provided by the Applicants for CR Coils/Sheets/Strips do not include the CR Coils/Sheets/Strips produced for galvanized and coloured coils/sheets, therefore, capacity of the ISL has also adjusted downward in accordance

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with quantity of galvanized and coloured coils/sheets produced during the POI. The installed capacity, quantity produced and the capacity utilization of the Applicants during the POI were as follows:

**Table-XV
Capacity, Production and Capacity Utilization**

Year	Installed Capacity*	Production*	Capacity Utilization (%)
2016	100.00	89.22	89.22
2017	102.76	104.81	102.00
2018	153.50	97.70	63.65

* To maintain confidentiality, actual figures have been indexed with respect to the installed capacity in the year 2016 by taking it equal to 100.00.

35.2 The above table shows that the installed production capacity of the domestic industry increased by 2.76 percent and 49.39 percent in the years 2017 and 2018 respectively. However, production of the domestic like product increased by 17.47 percent during the year 2017 and decreased by 6.78 percent during the year 2018. Even if installed capacity of the domestic industry is retained at the same level of the year 2017, capacity utilization dropped from 102 percent in 2017 to 95.08 percent.

36. Effects on Inventories

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

**Table-XVI
Inventories of the Domestic Like Product**

Year	Opening inventory*	Production*	Sales*		Closing Inventory*
			Domestic	Exports	
2016	5.56	100.00	97.18	0.71	7.67
2017	7.67	117.47	117.72	0.01	7.41
2018	7.41	109.50	97.61	0.50	18.80

Source: the Applicants

* To maintain confidentiality, actual figures have been indexed with respect to the domestic production in the year 2016 by taking it equal to 100.00.

36.2 The above table shows that the closing inventory of the domestic like product increased significantly by 154 percent during the POI.

37. Effects on Profits and Profitability

37.1 The table below shows the profits and profitability of the domestic industry for the POI:

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**Table-XVI
Profit and Profitability**

Year	Profits	% of cost to make & sell
2016	100.00	8.29%
2017	262.36	13.65%
2018	139.88	6.66%

Source: Applicants

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of 2016 by taking it equal to 100.

37.2 The above information shows that the profits and profitability of the domestic industry on production and sales of the domestic like product increased significantly in the year 2017 and then decreased sharply in the year 2018.

37.3 Analysis of the information has shown that the increase in profits and profitability during the year 2017 was due to more increase in price than increase in cost to make and sell coupled with significant increase in sales volume in this year. Whereas, during the year 2018 the domestic industry faced price suppression as it was not able to recover full increase in cost to make and sell, coupled with decline in sales volume. (paragraphs 31.4 and 33 supra). Therefore, the domestic industry faced significant decline in profits and profitability during the year 2018.

38. Effects on Return on Investment

38.1 One of the Applicants was a multi-product firm during the POI and the investment and return on investment ("ROI") cannot be determined separately for different products.

38.2 As per Section 17(2) of the Act, "*the Commission shall assess effect of dumped imports in relation to production of a domestic like product in Pakistan when available data permit separate identification of that production on the basis of criteria of production process, producer's sales and profits:*

Provided that if such separate identification of that production is not possible, the Commission shall assess effects of dumped imports by examination of the production of the narrowest group or range of products, which includes a domestic like product, for which necessary information can be provided."

38.3 Keeping in view the above provision of the Act, investment and return on investment are assessed for entire operations of the Applicants. On the basis of the fore-going, following was the return on investment of the domestic industry during the POI:

**Table XVII
Return on Investment**

Year	ROI (%)
2016	31.29
2017	33.85
2018	19.33

Source: the Applicants

38.4 The above table shows that the investments in domestic industry increased throughout the POI. However, return on investment increased in the year 2017 and decreased sharply in the year 2018. Decline in ROI in the year 2018 was mainly due to decrease in profits and profitability in this year (paragraph 36 supra).

39. Effects on Cash Flows

39.1 One of the Applicants was a multi-product firm during the POI and the cash flows operations cannot be determined separately for different products. Therefore, keeping in view provisions of the Section 17(2) of the Act, the cash flows of the domestic industry for its entire operations during the POI is given in following table:

**Table-XVIII
Net Cash Flows**

Year	Net Cash flow
2016	100.00
2017	196.74
2018	(195.05)

Source: the Applicants

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of cash flows of 2016.

39.2 The above table shows that the domestic industry's net cash flows from its operations deteriorated sharply and became negative in the year 2018. Analysis of the information has shown that the cash flows affected negatively due to sharp increase in inventories and price suppression of the domestic like product.

40. Effects on Employment, Productivity and Salaries & Wages

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

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

Year	Number of Employees	Salaries & Wages	Domestic Production	Productivity per worker	Salaries & Wages per MT
2016	100.00	100.00	100.00	100.00	100.00
2017	109.32	132.28	117.47	107.46	112.61
2018	131.61	148.95	109.50	83.20	136.02

Source: the Applicants

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of each column of 2016 by taking it equal to 100.

40.2 The above table shows that the employment in the domestic industry increased during the POI due to increase in production capacity (paragraph 34 supra). Productivity per worker of the domestic industry increased in the year 2017 and decreased in the year 2018. Salaries and wages increased throughout the POI.

41. Effects on Growth

International Steel Limited has installed a new plant of a capacity of 500,000 MT per annum for production of CR coils/sheets/strips, which has become in operation in July 2018. For this purpose the International Steel Limited made investment of 3.883 billion rupees during the POI. Aisha Steel Limited also installed a new plant of a capacity of 230,000 MT per annum for production of CR coils/sheets/strips, which has become in operation in March 2019. Aisha Steel Limited made investment of 2.794 billion during the POI. Therefore, there was a significant growth in the domestic industry during the POI.

42. Ability to Raise Capital

Due to reduced profitability of the domestic industry and decreasing returns on investment during the POI of dumping, average share price of the Applicants declined reduced substantially from Rs 63.63 per share in the year 2018 to Rs 38.14 per share in the year 2019, which implies that the domestic industry faced difficulties to raise capital.

43. Magnitude of Dumping Margins

Dumping margins determined for Exporting Countries ranges from 18.49 percent to 26.23 percent, which are considered enough to cause material injury the domestic industry. Further, injury factors discussed above show that domestic industry has suffered material injury on number of factors.

44. **Summing up of Material Injury**

44.1 It appears from the information and analysis in the preceding paragraphs that volume of dumped imports of the investigated product increased significantly during the POI for injury. Dumped imports of the investigated product undercut prices of the domestic like product throughout the POI. The domestic industry also suffered price suppression during the year 2018 due to prices of the dumped imports of the investigated product. Market share of the dumped imports increased whereas domestic industry lost market share during the POI. The domestic industry also suffered injury during the POI on account of decline in: profits, profitability, return on investment, production, capacity utilization, cash flows, productivity and increase in inventories of the domestic like product.

44.2 Effect of dumped imports on various injury factors are summarized in the table below:

**Table-XX
Effects of Dumped Imports**

Injury Factor	2016	2017	2018
Volume of dumped imports*	100.00	29.25	98.05
Dumped imports as % of total imports (%)	39.20%	19.70%	50.78%
Production of domestic like product*	100.00	117.47	109.50
Price Undercutting (%)	17.94%	10.00%	4.90%
Market share of dumped imports (%)	20.64%	6.86%	23.15%
Market share of domestic like product (%)	47.36%	65.18%	54.42%
Sales of the domestic like product*	100.00	121.13	100.44
Capacity utilization of domestic industry	89.22%	102.00%	63.65%
Closing inventory of domestic like product*	100.00	96.63	245.22
Profits*	100.00	262.36	139.88
Profitability (% of cost to make & sell)	8.29%	13.65%	6.66%
ROI (%)	31.29%	33.85%	19.33%
Net cash flows*	100.00	196.74	(195.05)
Productivity per worker	100.00	107.46	83.20

* To maintain confidentiality, actual figures have been indexed with respect to the numbers of the year 2016 by taking them equal to 100.00.

44.3 The above effects are significant enough on the basis of which it is determined that domestic industry has suffered material injury during the POI due to dumped imports of the investigated product.

D. CAUSATION

45. Effect of Dumped Imports

The investigation of the Commission has revealed that the following happened simultaneously during the POI:

- i. Volume of dumped imports of the investigated product increased significantly in absolute terms as well as relative to the domestic production;
- ii. Domestic industry experienced price undercutting due to dumped imports of the investigated product;
- iii. Domestic industry experienced price suppression in the year 2018 due to prices of the dumped imports of the investigated product;
- iv. Market share of dumped imports of the investigated product increased whereas market share of the domestic like product declined simultaneously;
- v. Domestic industry faced negative effect on sales, production, inventories, productivity, and return on investment; and
- vi. Domestic industry faced decline in capacity utilization, profits and profitability.

46. Other Factors

46.1 In accordance with Section 18(2) of the Act, the Commission has also examined factors other than dumped imports of the investigated product, which could have at the same time caused material injury to the domestic industry, in order to ensure that possible injury caused by other factors is not attributed to the dumped imports.

46.2 Section 18(3) of the Act states that the other factors which may be relevant for the purpose of examination may include the following:

- a. volume of imports not sold at the dumped prices;
- b. price of imports not sold at the dumped prices;
- c. contraction in demand or changes in the patterns of consumption;
- d. trade restrictive practices of and competition between foreign and domestic producers;

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- e. development in technology; and
- f. export performance and productivity of domestic industry

46.2.a Volume of Imports of CR Coils/Sheets/Strips from Other Sources:

46.2.a.i Following table shows volume of imports of the investigated product and CR Coils/ Sheets/Strips imported from other sources:

**Table-XXI
Volume of Imports from Other Sources**

Year	Domestic industry's Sales		Sources of Imports:						Total domestic market	
			Dumped		Other Dumped**		All others			
	Volume*	%change	Volume*	%change	Volume*	%change	Volume*	%change	Volume*	%change
2016	47.36	--	20.64	--	15.16	--	16.85	--	100.00	--
2017	57.37	21.13	6.04	-70.75	5.19	-65.77	19.42	15.29	88.02	-11.98
2018	47.57	-17.08	20.23	235.18	4.45	-14.21	15.16	-21.96	87.41	-0.69

Sources: PRAL & the Applicants

* To maintain confidentiality, actual figures have been indexed with respect to the total domestic market in the year 2016 by taking them equal to 100.00.

** Other dumped are China and Ukraine where antidumping duties are imposed (paragraph 11 supra), however, there were no imports from Ukraine

46.2.a.ii The above table shows that, after imposition of antidumping duties on dumped imports of CR Coils/Sheets/Strips from China and Ukraine imports from these sources declined sharply, by 66 percent and 14 percent in the years 2017 and 2018 respectively. The gap created due to decline in imports from China and Ukraine was filled by the domestic industry and imports from other sources in the year 2017. Sales of the domestic industry and imports from other sources increased by 21 percent and 15 percent respectively in the year 2017. However, in the year 2018 the domestic industry and imports from other sources faced decline in sales by 17 percent and 22 percent respectively, whereas, imports from alleged sources (Canada and Russia) increased significantly, by 235 percent. Total imports from sources other than the Exporting Countries declined by 23 percent and 20 percent in the years 2017 and 2018 respectively.

46.2.a.iii. It appears from the above information and analysis that the domestic industry, did not suffered material injury on account of volume of imports of CR coils/ sheets/ strips from other sources, as imports from other sources declined significantly whereas imports from the Exporting Countries increased significantly during the POI.

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46.2.b. Prices of Imports of CR Coils/Sheets/Strips from Other Sources

46.2.b.i Following table shows prices (landed cost) of imports of the investigated product and CR Coils/Sheets/Strips imported from other sources:

**Table-XXII
Landed cost of imports and Domestic Like Product's Price**

Year	Landed Cost* of imports from			Domestic like product's price
	Dumped sources	Other dumped **	Other sources	
2016	82.06	82.03	123.98	100.00
2017	124.27	147.24	158.20	138.08
2018	162.43	182.28	205.90	170.79

* C&F value + CD+ACD+RD+ADD+Incidentals @2%

** China, which is subject to AD duty

Sources: PRAL and the Applicants

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of domestic like product price of 2016 by taking it equal to 100.

46.2.b.ii. The above table shows that the landed cost of CR Coils/Sheets/Strips imported from other sources was much higher than the landed of the investigated product from the Exporting Countries as well as the prices of the domestic like product during the POI. Therefore, the domestic industry, did not suffer material injury on account of prices of imports of CR coils/ sheets/strips from other sources.

46.2.c. Contraction in Demand or Change in Pattern of Consumption

46.2.c.i. Information obtained from PRAL and submitted by the Applicants shows that, there was contraction in demand in the year 2017, however, in the year 2018 demand of CR Coils/Sheets/Strips remained almost same as was in 2017. Following table shows sources of supply and size of the market during the POI:

**Table-XXIII
Domestic Market of CR Coils/Sheets/Strips**

Year	Domestic industry's Sales	Sources of Imports:		Total market
		Dumped	All others	
2016	47.36	20.64	32.01	100.00
2017	57.37	6.04	24.61	88.02
2018	47.57	20.23	19.61	87.41

Sources: PRAL & the Applicants

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of total market of 2016.

46.2.c.ii. The above table shows that the domestic market of CR coils/sheets/strips decreased by 12 percent and 1percent in the years 2017 and 2018 respectively. Sales by the domestic industry increased by 21 percent in the year 2017 and decreased by 17

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percent. Imports from other sources declined by 23 percent and 20 percent in the years 2017 and 2018 respectively. However, dumped imports of the investigated product from the Exporting Countries decreased by 71 percent in the year 2017 and increased by 235 percent in the year 2018.

46.2.c.iii. The above information and analysis, show that the domestic industry did not suffer material injury due to contraction in demand as its sales declined much more than the decline in the domestic market during the POI for dumping.

46.2.d. **Trade restrictive practices of and competition between foreign and domestic producers**

There was no such policy by the government of Pakistan during the POI that have negatively affected the domestic industry and created distortion in the competitive environment between foreign and domestic producers.

46.2.e. **Developments in Technology**

There was no development in technology during the POI that could have contributed to the material injury of the domestic industry.

46.2.f. **Export Performance of Domestic Industry**

The domestic industry did not suffer material injury due to its export performance during the POI for dumping, as its exports of CR coils/sheets/strips increased significantly in the year 2018. Following table shows exports of the domestic like product during the POI:

**Table-XXIV
Exports of the Domestic Like Product**

Year	Exports
2016	100.00
2017	0.97
2018	69.98

Source: the Applicants

Note: In order to maintain confidentiality, actual figures have been indexed w.r.t figure of exports of 2016.

46.3 Some interested parties have claimed that the domestic industry suffered injury due to the following other factors during the POI. The Commission has analysed these factors to ensure that possible injury caused by these factors is not attributed to the dumped imports of the investigated product:

- a. Devaluation of Pakistani Rupee and growing import prices of raw materials; and

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b. Significant increase in capacity of the domestic industry.

46.3.a Devaluation of Pakistani Rupee, Prices of Input and Output

46.3.a.i Pakistani rupee devalued during the POI. Average exchange rate vis-à-vis US dollar during the POI was as follows:

**Table-XXV
Exchange Rate**

Year	US\$=Rs.	% change
2016	104.6638	--
2017	105.3251	0.63%
2018	121.4321	15.29%

Source: State Bank of Pakistan

46.3.a.ii The above table shows that the Pakistani rupee devalued by 15.29 percent during the year 2018. This devaluation impacted imports of raw material of the domestic like product (hot rolled coils) as well as the imported CR coils/sheets/strips. Following table shows C&F prices and landed cost of the hot rolled coils and CR coils/sheets/strips:

**Table-XXVI
C&F Price and Landed Cost of HR and CR**

Year	C&F Price* of:			Landed cost* of:		
	Hot rolled coils	CR coils/sheets/strips		Hot rolled coils	CR coils/sheets/strips	
		Dumped	Others		Dumped	Others
2016	100.00	114.95	147.08	127.50	137.61	174.58
2017	141.13	169.97	210.00	179.94	208.37	261.40
2018	181.09	224.09	270.20	230.90	272.36	336.27

* To maintain confidentiality, actual figures have been indexed with respect to the C&F price of hot rolled coils in the year 2016 by taking it equal to 100.00.

46.3.a.iii The above table shows that the import prices of hot rolled coils and CR coils/sheets/ strips increased in the same range during the years 2017 and 2018. C&F prices of hot rolled coils (input) increased by 28.70 percent and 10.15 percent in the years 2017 and 2018 respectively. Whereas import prices of CR coils/sheets/strips (output) increased by 31.94 percent and 12.55 percent from the Exporting Countries and 29.52 percent and 10.39 percent from other sources in the years 2017 and 2018 respectively.

46.3.a.iv The above table shows that the landed cost of hot rolled coils and CR coils/sheets/ strips also increased in the same range during the years 2017 and 2018. Landed cost of hot rolled coils (input) increased by 29.14 percent and 22.07 percent in the years 2017 and 2018 respectively. Whereas landed cost of CR coils/sheets/strips (output) increased by 33.96 percent and 23.50 percent from the Exporting Countries

and 33.21 percent and 22.26 percent from other sources in the years 2017 and 2018 respectively.

46.3.a.v On the basis of the above information and analysis the Commission is of the view that increase in prices of input and output was in the same range, therefore, price increase of hot rolled coils (input) and devaluation of Pakistani rupee during the POI were not the reasons for material injury to the domestic industry. Rather, the domestic industry benefitted due to inventories of the input (HRC) due to devaluation of Pak. Rupee during the POI.

46.3.b Increase in Installed Capacity of the Domestic Industry

46.3.b.i Installed capacity of the domestic industry increased during the POI. Following table shows installed capacity, quantity produced and the capacity utilization of the Applicants during:

**Table-XXVII
Capacity, Production and Capacity Utilization**

Year	Net Installed Capacity*	Production*	Capacity Utilization
2016	100.00	89.22	89.22%
2017	102.76	104.81	102.00%
2018	153.50	97.70	63.65%

Source: Applicants

* To maintain confidentiality, actual figures have been indexed with respect to the installed capacity in the year 2016 by taking it equal to 100.00.

46.3.b.ii The above table shows that the installed production capacity of the domestic industry increased by 2.76 percent and 49.39 percent in the years 2017 and 2018 respectively. However, production of the domestic like product increased by 17.47 percent during the year 2017 and decreased by 6.78 percent during the year 2018. If installed capacity is assumed at the same level of the year 2017 even then capacity utilization dropped from 102 percent in 2017 to 95.08 percent.

46.3.b.iii On the basis of the above information and analysis the Commission is of the view that sharp decline in capacity utilization was mainly due to significant increase in installed capacity of the domestic industry and partially due to increase in volume of dumped imports of the investigated product.

E. CONCLUSIONS

47. After taking into account all considerations for this final determination, the Commission is of the view that the cause of material injury to the domestic industry during the POI for dumping was dumped imports of the investigated product. Further,

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there was a causal link between dumped imports of the investigated product and material injury to the domestic industry. Following are conclusions of the investigation:

- i. the application was filed by the domestic industry as the Applicants represent 98.02 percent of the production of the domestic like product during the POI;
- ii. the investigated product and the domestic like product are like products;
- iii. during POI, the investigated product was exported to Pakistan by the exporters/ producers from the Exporting Countries at prices below its normal value;
- iv. the volume of dumped imports of the investigated product and the dumping margins established for the 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 varies between 18.49 percent to 26.23 percent for Exporting Countries;
- vi. the domestic industry suffered material injury on account of volume of dumped imports of the investigated product, price undercutting, price suppression, decline in: market share, sales, capacity utilization, profits, profitability, return on investment, productivity; negative effects on: inventories, cash flows and ability to raise capital in terms of Sections 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.

F. IMPOSITION OF DEFINITIVE ANTIDUMPING DUTY

48. In view of the analysis and conclusions with regard to dumping of the investigated product, material injury to the domestic industry and causal link between dumping and injury, the Commission is required to impose antidumping duty on dumped imports of the investigated product under Section 50(1) of the Act.

49. As no exporter/ foreign producer of the investigated product has provided requisite information in this investigation, therefore, individual dumping margins have not been determined for the exporters/producers of the investigated product. A country wide single dumping margin has been determined for each Exporting Country. Dumping

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margins and anti-dumping duty rates for the Exporting Countries is determined on the basis of best available information in terms of Section 32 of the Act.

49. However, for the purpose of imposition of lesser duty in terms of Section 50 (2) of the Act the Commission has calculated injury margin to ascertain whether a lower duty would be adequate to remove injury being suffered by the domestic industry due to dumped imports of investigated product from the Exporting Countries. The calculation of injury margin for Jan-Dec 2018 is given below:

**Table-XXVIII
Calculation of Injury Margin**

Description	Value*
Cost to make & Sell of the domestic like product	100.00
Estimated Profits	13.65
Estimated non-injurious price	113.65
C & F price of investigated product	83.89
Landed cost of investigated product	101.96
Injury Margin $\{(Non-injurious\ price-landed\ cost)/C\&F\}100\}$	13.94%

* To maintain confidentiality, actual figures have been indexed with respect to cost to make & sell of the domestic like product in the year 2016 by taking it equal to 100.00.

50. The above table shows that the injury margin works out 13.94 percent, which is lower than the dumping margins determined for the Exporting Countries i.e. 18.98 percent of the C&F price for Canada and 16.21 percent of the C&F price for Russian Federation. Therefore, in terms of Section 50 (2) of the Act, lesser duty would be adequate to remove injury to the domestic industry. Therefore, definitive antidumping duty at the rate of 13.94 percent *ad valorem* of the C&F price is imposed retroactively on the dumped imports of the investigated product importable from the Exporting Countries for a period of five years effective from September 20, 2019. The investigated product is classified under PCT heading Nos. 7209.1510, 7209.1590, 7209.1610, 7209.1690, 7209.1710, 7209.1790, 7209.1810, 7209.1890, 7209.1891, 7209.1899, 7209.2510, 7209.2590, 7209.2610, 7209.2690, 7209.2710, 7209.2790, 7209.2810, 7209.2890 and 7211.2920.

51. CR coils/sheets/strips imported from sources other than the Exporting Countries, except China and Ukraine which are already subject to antidumping duties, shall not be subject to these definitive antidumping duties.

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

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

54. 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.

(Anjum Assad Amin)
Member
March 16, 2020

(Tipu Sultan)
Member
March 16, 2020

(Abdul Khaliq)
Member
March 16, 2020

(Robina Athar)
Chairperson
March 16, 2020

ANNEX-I

Comments of Interested Parties

Comments of Interested Parties	NTC View
Views/Comments of the Ministry of Economic Development of the Russian Federation	
<p><u>Unrepresentative data on dumping margins:</u> “It is important to mention that the Russian side was not able to verify the information on the Russian normal value and export price presented in the Report because all the figures are indexed. Therefore, it is impossible to verify dumping margin for the Russian goods using such data, which means that the information on dumping margins submitted by the Pakistani industry (hereinafter – “The Applicants”) is not representative”.</p> <p><u>Deficient non-confidential version of the Report:</u> “We would like to mention that the Report is deficient in the meaning of Article V and VI of the ADA. In accordance with Article 31.4 of the Act, the party seeking any information to be kept confidential shall request for the same at the time the information is submitted, along with the reasons warranting confidentiality. However, in most sections of the Report it is merely indicated that the information is confidential without justification.....”.</p> <p><u>Absence of material injury:</u> “It is important to highlight that some indicators characterizing the state of the Applicants, which cannot demonstrate an upsurge in case the domestic industry is suffering an injury, show growth in 2018 as compared to 2016. The Report states that the period of investigation for determination of injury is from 1 January, 2016 to 31 December, 2018. However, the Applicants’ analysis of all financial and economic factors characterizing the performance of the domestic industry is based on the comparison of 2017 and 2018 indices while data of 2016 is completely omitted, which leads to an arbitrary selection of the injury investigation period.</p> <p>We suppose that such selective use of time interval is not representative, cannot assure the unbiased assessment and cannot prove the national industry performance deterioration. The inclusion of the year of 2016 for the purpose of injury determination changes the conclusions regarding the existence of material injury.....”.</p> <p><u>Cumulative assessment:</u> “In accordance with Article 3.3 of the ADA, we would like to underline that the effects of imports from Russia should be assessed separately from the effects of imports from Canada taking into account the following: – Difference in the quality of the products imported from Russia and Canada. According to the NTC Report, “<i>imports of the investigated product from Canada were of secondary quality only and from Russia both secondary and prime quality</i>”. Russian C&F price for secondary quality products is 26.6% lower than its prime quality products’ price, which is far from being negligible (Table VIII of the NTC Report).</p>	<p>In order to maintain confidentiality, the actual figures in the preliminary determination were kept confidential in accordance with Section 31 of the Anti-dumping Duties Act, 2015 (the “Act”). However, indexed figures provide meaningful understanding. Therefore, the Commission has complied with requirements of Section 31 of the Act as well as Article 6.5 of the Anti-dumping Agreement.</p> <p>The Commission has determined injury to the domestic industry in accordance with Part VI of the Act. It is Commission’s consistent practice to analyse injury factors on year on year basis. As POI for dumping in this investigation is from July 2018 to June 2019, therefore to asses effects of dumped imports of the investigated product the facts/figures of the year 2018-19 are compared with immediate previous year which is July 2017 to June 2018.</p> <p>The Commission has analysed facts and found that conditions of Section 16 of the Act and Article 3.3 of the ADA are met, therefore the effects of dumped imports on the domestic industry have been cumulatively assessed in this investigation (please refer paragraph 30 of the report).</p>

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<p>– Multi directional trends of imports from Canada and Russia. According to Table 4 of the Application, if compared the period Apr 2014 - Mar 2015 with the period Jan 2018 - Dec 2018 the average price of Russian imports increased while the average price of Canadian imports decreased....”</p> <p><u>Absence of Causal Link:</u></p> <p>“...We would like to note that there are following factors affecting the domestic industry and breaking the causal link between the allegedly dumped imports and the injury to the domestic industry:</p> <p>– Devaluation of the Pakistani rupee. Pursuant to Table XXV of the Report, the Pakistani rupee devaluated by 15.29% during the year 2018, which impacted imports of raw material of the domestic product (hot rolled coils) as well as the imported CR coils/sheets/strips.....the Report failed to analyze the effects of devaluation of the Pakistani rupee on other performance indicators of the domestic industry</p> <p>– Significant capacity increase. The Report stated that “<i>sharp decline in capacity utilization was mainly due to significant increase in installed capacity of the domestic industry and partially due to increase in volume of dumped imports</i>”.</p> <p>We would like to indicate that injuries caused by these other factors must not be attributed to the allegedly dumped imports in the meaning of Article 3.5 of the ADA...”</p>	<p>The Commission has analysed other factors including the factors identified by the Government of the Russian Federation as well as other interested parties and has determined that other factors were not the main cause of injury to the domestic industry during the POI. Further there was a causal relationship between dumped imports of the investigated product and injury to the domestic industry during the POI. (please refer Section D of the report).</p>
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Views/Comments of Magnitogorsk Iron and Steel Works

Deficient non-confidential version of the application

"..... the Applicants indexed and unreasonably treated as confidential the following aggregated and/or publicly available data relevant to the overall domestic industry:

- Pakistani export volume and value;
- Import volumes to Pakistan at allegedly dumped prices;
- Production and sales volumes;
- Profitability and revenue;
- Capacity and capacity utilisation rate.”

“.....international trade import-export statistics is publicly available information collected and maintained by the Customs Authorities of Pakistan. Under no circumstances the Applicants may retain this information as confidential....”

“*such as sales, sale prices, cost to make and sell, inventories, production, profit/(loss), return on investment, investment, salaries & wages, number of employees* is confidential by nature only when it concerns company-specific data. Aggregated data cannot be considered confidential due to their general nature and may not prejudice the legitimate commercial interests of a single enterprise”.

“Only one company – ISL – was a multi-product company during the Injury IP. Aisha Steel produced only the investigated like product. Therefore, all information publicly available in the financial statements of Aisha Steel pertain to the investigated product. ISL’s publicly available financial statements provided a breakdown of production capacity and

The Applicants have submitted non-confidential summaries of the confidential information in accordance with the Section 31(5) of the Act, which permit a reasonable understanding of the information submitted in the confidence. In application the Applicants have requested to keep confidential the information which is either by nature confidential or certain other information under Section 31(2)(c) of the Act such as information on export or import price and import volume of the investigated product, which may lead to the disclosure of the by nature confidential information of the Applicants by way of reverse calculations.

Company-wise percentage share of production is provided at S.No. 2 of the application, therefore if aggregated actual figures are provided, company figures could easily be worked out by using percentage share. Therefore, such information needs to be kept confidential. Percentage share of each source of supply (domestic sales and imports) is provided at S. No. 10.4 in Table-8 of the application. If actual figures of import information is provided, actual information of the domestic industry could easily be worked out.

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production volumes per product group, thus the investigated product is again easily identifiable from the financial statements....”.

“..... all data regarding international trade flows, economic and social indicators of the domestic industry is critically necessary for objective analysis of all known factors and injury determination, as well as for elaboration of our client's position....”.

Injury Determination Period:

“The conclusion of the NTC that the domestic industry suffered material injury on account of volume of allegedly dumped imports from the investigated countries, price undercutting, price suppression, decline in market share, sales, capacity utilisation, profits, profitability, return on investment, productivity, negative effects on inventories, cash flow and ability to raise capital in the sense of Sections 15 and 17 of the Act are based on a limited and selective approach concerning determination of the Injury IP which is discriminatory towards exporting producers from the countries concerned....”.

Cumulative assessment of the effects of imports from the investigated countries is not warranted

Our client respectfully disagrees with the decision of NTC to cumulatively assess imports originating in Russia and Canada. NTC’s statement that “*there was competition between dumped imports of the investigated products*” (para. 29.3 of the Report) is unsupported by evidence....”.

Injury elimination level calculation

Considering that the NTC applies the lesser duty rule, normally injury elimination levels or injury margins should be established individually for each cooperating exporting producer, if any, and at least each investigated country, i.e. Canada and Russia, in the same way as dumping margins are established.

Lack of Casual Link:

“The NTC analysed several other factors, including the increase in installed capacity of the domestic industry and devaluation of the Pakistani Rupee. However, the NTC made a manifest error of assessment by concluding that the existence of these factors was not breaking the causal link between dumped imports from the countries concerned and alleged material injury suffered by the domestic industry.....It should be concluded that any alleged injury/difficulties suffered by the domestic industry is not caused by imports from Russia and Canada but other factors, including those affecting Pakistani economy in general.

Public Interest:

“The Report of the NTC does not address the issue of public interest at all, contrary to the preamble of the Act and well established international practice..... Imposition of anti-dumping measures would be against the wider public interest of Pakistan due to a potential risk of Applicants’ non-competitive market behaviour and wider interests of numerous domestic

The Applicants are multi-product companies and their annual reports show consolidated figures whereas this investigation is on CR coils/sheets/strips. Therefore, the application contains information of CR coils/sheets/ strips, which is not publically available.

The Commission has determined injury to the domestic industry in accordance with Part VI of the Act. It is Commission’s consistent practice to analyse injury factors on year on year basis. As POI for dumping in this investigation is from July 2018 to June 2019, therefore to asses effects of dumped imports of the investigated product the facts/figures of the year 2018-19 are compared with immediate previous year which is July 2017 to June 2018.

The Commission has analysed facts and found that conditions of Section 16 of the Act and Article 3.3 of the ADA are met, therefore the effects of dumped imports on the domestic industry have been cumulatively assessed in this investigation (please refer paragraph 30 of the report).

The Commission has determined injury elimination level in this investigation and anti-dumping duty is imposed lower than the dumping margin. (please refer Section F of the report).

The Commission has analysed other factors including the factors identified by the Magnitogorsk Iron and Steel Works as well as other interested parties and has determined that other factors were not the main cause of injury to the domestic industry during the POI. Further there was a causal relationship between dumped imports of the investigated product and injury to the domestic industry during the POI. (please refer Section D of the report).

The Commission has fulfilled all requirements of the Act as well as ADA in this investigation.

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<p>users and end-customer.....”</p> <p>“....., the domestic industry might experience certain difficulties due to global market developments combined with devaluation of the Pakistani national currency. Still, there is no causal link between these trends and allegedly dumped imports from Russia and Canada. On the contrary, over the last years, including the investigation period, the domestic industry put forward ambitious and costly investment programmes that have resulted in a major expansion of the existing capacity and affected the performance of Pakistani producers.</p> <p>MMK emphasises that the domestic industry remains profitable (Table XI, page 16 of the Essential Facts) and maintains the major share of the domestic market (Table VIII, page 16 of the Essential Facts).”</p>	<p>The Commission has analysed other factors including the factors identifies by the Government of the Russian Federation as well as other interested parties and has determined that other factors were not the main cause of injury to the domestic industry during the POI. Further there was a causal relationship between dumped imports of the investigated product and injury to the domestic industry during the POI. (please refer Section D of the report).</p>
<p><u>Views/Comments of Siddiqsons Tinplate Ltd.</u></p>	
<p><u>Unauthorized Use of Data:</u></p> <p>“...The Commission does not have the authority to supply information which relates to an Exporter without the express permission of the Exporter. Secondly, if any such information has been provided, the applicant was under a duty to provide a summary of the information provided, which would permit an interested party to draw a reasonable understanding of the same. Failure to do any of the above, renders an application null and void and loses any legal effect in the eyes of the law....”</p> <p><u>Failure to Segregate the Data:</u></p> <p>“That the Commission has patently erred in imposing Provisional anti-dumping duty on 19 products vide the Preliminary Determination whereas only 17 products were included in the application filed by the Domestic Industry, the notice of initiation and the Investigation. The Preliminary Determination is liable to be set out on this score alone. The products listed as PCT Heads 7209.1891 & 7209.1899 i.e. Tin Mill Black Plate (the “TMBP”), are not only essentially distinguishable from the other products forming part of the investigation, but on account of never having been included in the Investigation nor having been adequately examined or considered cannot be subjected to imposition of provisional anti-dumping duty....”</p> <p><u>Unwarranted Confidentiality:</u></p> <p>“Section 31 of the Act states that during the course of and post conclusion of an investigation, the Commission shall keep certain information confidential and shall not disclose the same without the specific permission of the party that has submitted it. In lieu of the same, 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 and the Preliminary Determination, does not permit a reasonable understanding of the substance of the information and, therefore, STPL were handicapped in commenting on substantial parts of the information provided by the Domestic Industry”.</p>	<p>The Commission has followed the confidentiality requirements as per Section 31 of the Act.</p> <p>This investigation was not on PCT numbers rather it is conducted on the investigated product, which is clearly defined. Therefore, the investigated product is subject to antidumping duty. Further, the application contains PCT Heading number 7209.1890, which is splitted into two PCT numbers i.e. 7209.1891 & 7209.1899, which is extension or clarification of PCT no. 7209.1890. Therefore, the products listed under these PCT numbers are very much part of the investigated product.</p> <p>The Commission has complied with requirements of Section 31 of the Act as well as Article 6.5 of the Anti-dumping Agreement. The Applicants have submitted non-confidential summaries of the confidential information in accordance with the Section 31(5) of the Act, which permit a reasonable understanding of the information submitted in the confidence.</p>

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Determination of dumping-normal value:

“The Preliminary Determination does not meet the requirement of sufficiency of evidence under Section 20 of the Act. In Section 24 of the Preliminary Determination, it is stated that the Normal Value for Russia has been established by taking domestic prices available on www.metalbulletin.com and Normal Value for Canada is based on the constructed cost method which is confidential in nature.....”

“Calculations in relation to raw material/input, electricity/fuel/gas rates, overhead costs, Selling, Administrative and Financial expenses have not been provided to STPL. Further the source of information is www.tradingeconomics.com, as to which the Commission has not provided any imperial data or explanation as to why random websites are being used for the selection of data for a specific type of calculation, which can only be conducted within a certain confined manner....”

Export Price:

“The Commission has made adjustments on account of ocean freight, inland freight, marine insurance and handling cost based on evidence that was provided in a completely different investigation, that was conducted in 2016, and used the same ratio to calculate Inland Freight and handling costs for Pakistan, which is a direct contravention of Section 35 of the Act, as well as Rule 8 of the Rules”.

Determination of Injury:

“Without prejudice, it is submitted that the mere establishment of dumping of an Investigated Product into the commerce of Pakistan is not enough to attract anti-dumping measures under the Act. Anti-dumping duties can only be imposed when it is proved that such dumping has injured or threatens to materially injure Pakistan’s domestic industry”.

No Price Depression:

“It is pertinent to note that the indexed price of the Domestic Like Product continuously increased during the Period of Investigation. On that account, the Commission has concluded that the Applicant has not suffered on account of Price Depression”.

No Price Suppression:

“It is to be noted that that during perusal of 3 years worth of data in relation to assessing whether or not the Domestic Industry were able to recover their cost of production or not, it is to be noted that there was no Price Suppression in 2016, there was no Price Suppression in 2017 and even in 2018, the Domestic Industry were able to recover their costs and sold the domestic like product for a higher price”.

No Reduction of Sales:

“The domestic sales of the domestic industry increased during the POI for injury, which reflects that the alleged dumped imports from the Exporting Countries never competed with the sales of the Domestic Industry. At the time when the global market was in recession and production facilities were closing down due to lack demand, the domestic industry was prospering on account of market share and domestic sales”.

The Commission has fulfilled all requirements of the Act including requirements of Sections 20, 23 and 24 of the Act.

The Commission has complied with requirements of Section 31 of the Act.

The Commission calculated export price on the basis of best available information in accordance with Section 32 of the Act.

Please refer Part C, “Injury to the domestic Industry” of this final determination report.

The Commission determined in this final determination report that the domestic industry did not suffer material injury on account of price depression.

The Commission determined in this final determination report that the domestic industry suffered material injury on account of price suppression.

The Commission determined in this final determination report that the domestic industry suffered material injury on account of domestic sales as the domestic sales decreased by 17 percent during the period of dumping as compared with previous immediate year 2017.

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No Loss on account of Capacity, Production and Capacity Utilization:

“During the POI for injury, the Installed Capacity of the Domestic Industry drastically increased and the production corresponded accordingly, by noting a considerable increase in production as well. The reason as to the fall in Capacity Utilization is that International Steel Limited installed a new plant of a capacity of 500,000 MT which came into production in July, 2018. Such immense escalation in Installed Capacity clearly depicts that it will take some time for the Domestic Industry to reach exorbitant levels of Capacity Utilization and therefore any claims that the Domestic Industry has suffered material injury on account of Capacity, Production and Capacity Utilization are unwarranted and liable to be dismissed”.

No loss on account of Inventories:

“Table- XVIII of the Preliminary Determination reflects the inventories of the Domestic Industry. The Table clearly reflects that during the POI for Dumping, the sales of the Domestic Industry and the closing inventory of the Domestic Industry rose. As noted earlier, International Steel Limited installed a new plant of a capacity of 500,000 MT which came into production in July, 2018 and therefore any increase in inventory is clearly linked to the same.”.

No loss on account of Profit and Profitability:

“....after such a serious capital injection on part of the Domestic Industry, the Domestic Industry still churned a profit of over 35 Million in 2016, over 92 Million in 2017 and over 49 Million in 2018. There has not been a single year in Period of Investigation for injury, where the Domestic Industry has not whipped a seriously high level of profitability. Therefore, it is humbly submitted that the Domestic Industry did not suffer material injury on account of Profit or profitability”.

Other injury factors:

“It is humbly submitted that during the Period of Investigation of Injury, the Pakistan Rupee devalued 15.9% against the United States Dollar, the C & F price of Hot Rolled Coils (raw material for CRC) increased from 100 in 2016 to 140.24 in 2017 and then further increased to 156.09 in 2018”.

“Also, the Domestic Industry increased its production capacity drastically by injecting over 7 Billion Pakistan Rupees in production. Such pertinent facts, reflect that any alleged injury that may be caused is directly attributable to the aforementioned reasons rather than influx of dumped imports”.

Please refer Para 35, “Effects on production and capacity utilization” of this final determination report.

Please refer Para 36, “Effects on inventories” of this final determination report.

Please refer Para 37, “Effects on Profits and profitability” of this final determination report.

The Commission has analysed other factors including the factors identified by the Siddiqueson Ltd. as well as other interested parties and has determined that other factors were not the main cause of injury to the domestic industry during the POI. Further there was a causal relationship between dumped imports of the investigated product and injury to the domestic industry during the POI. (please refer Section D of the report).

Views/Comments of SAFA Steel

Submissions to The Commission.

“There stands no hesitation in mentioning that the Investigation Directorate-II has not verified the adequacy and accuracy of the information received from the applicants as while reviewing the public file and all relevant documents there could be many weaknesses and flaws found in the statements of applicants as well as findings of the Commission..... Therefore, there seems a serious need for the review of the whole investigation from the very scratch and grass root level, which will of course be highlighted in this response to the Commission”.

The Commission examined accuracy and adequacy of the evidence and information provided in the application in accordance with Section 23 of the Act, and established that there was sufficient evidence of alleged dumping of CR Coils/Sheets/ Strips into Pakistan from exporting countries and consequent alleged material injury to the domestic industry. Therefore, the Commission decided to initiate this investigation. Further, the information of the applicants

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<p><u>The Domestic Industry.</u> “...International Steel Limited also one of the applicants in this case is already involved in importing the alleged dumped product not just from the investigating countries but as well as from the already imposed anti-dumping duties origin countries i.e. Peoples Republic of China. International Steel Limited, proof of import from Russian Federation during the POI of Cold Rolled Coils is attached in annexure no. 1.</p> <p>If the Commission plans to impose definitive dumping duty on the imports of Cold Rolled Coils/Sheets from exporting countries as Russian Federation and Canada, it will not only give liberty to so called locals producers as International Steel Limited to import from alleged dumped sources as a monopolistic importer together with other applicants in this investigation but will also give huge loss to the governments revenue as all other importers apart from the applicants pay full amount of duties and taxes unlike the applicants, who have exemptions of income tax which is applied on industrial importers at the rate of 5.50% and commercial importers at the rate of 6%, additional sales tax or value added tax on commercial importers at the rate of 3%, regulatory duty at the rate of 5% and additional customs duty at the rate of 2%, which the applicants are completely waived off.....”</p>	<p>was verified by conducting on-the-spot investigations at their premises (please refer paragraph 15.2 of the report)</p> <p>Commission’s investigation has shown that the Applicants were not involved in imports of the investigated product during the POI from the Exporting Countries. Further, domestic industry for the purposes of this investigation is determined in accordance with provisions of the Act. (please refer paragraph 6 of the report)</p> <p>The Commission has conducted and imposed antidumping duty on dumped imports of the investigated product strictly in accordance with provisions of the Act.</p>
<p><u>Standing of The Application.</u> “The applicants does not fill the requirement of Section 24 of the Act, as the so called domestic industry/domestic producers are not producers of the investigated product as Pakistan Steel Mills Corporation is but they are entirely dependent on the imports of Hot Rolled Steel Coils as their raw material, which is just re-rolled, cold reduced or processed by them, without which they would be shutting down their units of processing.....”</p> <p><u>Investigated Product, Domestic Like Product and Like Products.</u> “As per the Commission’s understanding on which PCT No’s and descriptions the investigation to be made we would like point out that the applicants are only producing, rather processing materials The notice of initiation and initiation memo does not stated anywhere that PCT nos. 7209.1891 & 7209.1899 will be under investigation/scrutiny as well, but suddenly the Commission has imposed preliminary determination without any prior notice, thus the interested parties were only informed when the preliminary dumping duty was imposed and not before, as well as the applicants in the said investigation have not claimed anywhere that they do produce tin mill black plate material, not on their website or any other official document.....”</p> <p><u>Foreign Producer(s) And Exporter(s) Involved In Alleged Dumping.</u> “The applicants have only identified 25 producers/exporters from the exporting countries involved in alleged dumping of the investigated product, however the Commission has failed to identify any other though it had PRAL data available to it and again relied on applicants information only, therefore the applicants knowing Commission approach has requested to impose protective measures and in this case anti-dumping duty on all imports of the investigated product origination in or exported from the</p>	<p>Please refer to Paragraphs 6 and 7 of the report</p> <p>Domestic like product is determined in accordance with provisions of the Act. (please refer paragraph 12 of the report).</p> <p>The Commission has conducted and imposed antidumping duty on dumped imports of the investigated product strictly in accordance with provisions of the Act.</p> <p>Please refer to Paragraphs 14 to 16 of the report.</p>

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exporting countries.

The Commission feels that its responsibility is fulfilled by just informing the embassies of the exporting countries however if the Commission would have made any research or acquired information from any secondary sources as per the best information definition given in the Act, it would have reach any neutral conclusion and specially the fact that the investigated product is quite different from the domestic like product, as per explanations given in the above paragraphs, most importantly the limited scope of production/processing of the domestic industry.....”

Confidentiality.

“The application submitted by the applicants to the Commission is based on very limited information i.e. in the non-confidential version which is placed in the public file of the commission, on which the Commission relies upon for the initiation of investigation which is deceiving as it is consisting flippant allegations.

As per section 24 of the Anti-Dumping Duties Act 2015, the applicants has provided incomplete information, which is not ample nor competent enough to initiate the investigation.

Under section 31 of the Anti-Dumping Duties Act 2015, the applicants has planted crucial information which is not otherwise available to other interested parties and therefore it has paralyzed the capacity of other interested parties to make their observation on the allegations of dumping as well as declared injury.

Under the shade of section 31 of the Anti-Dumping Duties Act 2015, the applicants has disguised momentous information, but fails to quench the need of Section 31(5) of the Act, which requires to provide analysis or summaries, in the absence of which interested parties fail understand the information given.”

Dumping, Evidence Of Dumping, Export Price, Normal Value, Dumping Margin.

“.....The Commission has differences in its figures and percentages of dumping margins in initiation memo and preliminary determination report, therefore the dumping margins calculated by the Commission are flawed and erroneous, no country would be selling their produced items in normal circumstances at lesser prices than their countries own domestic prices as in such a case the Commission is trying to claim false allegation on the exporting countries that they are making intentional and deliberate losses, however Pakistan is not the only market for the exporting/selling countries in the said investigation and specially when the materials are coming through traders only from both the exporting countries, they will avail a chance to make more profits when selling locally within the producing country and earn more profit or margin rather than exporting to Pakistan under what benefit which the Commission can only explain. The differences in dumping margins shown by the Commission in tables of initiation memo and preliminary determination report might be different for Canada because the Commission has a different approach to calculate the same as explained above but for Russian Federation, it is not at all understood when for export prices the Commission relied on the same data

The Commission has complied with requirements of Section 31 of the Act as well as Article 6.5 of the Anti-dumping Agreement. The Applicants have submitted non-confidential summaries of the confidential information in accordance with the Section 31(5) of the Act, which permit a reasonable understanding of the information submitted in the confidence..

None of the exporter from Canada and Russia cooperated with the Commission and therefore the Commission calculated export price, normal value and dumping margin on the basis of best information available in accordance with Section 32 of the Act. (please refer Section B of the report).

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of PRAL and for normal values on the same data of Metal Bulletin of London, which confirms the inappropriate and imprecise apprehension of the Commission to this investigation”.

De Minimis Dumping Margins And Negligible Volume Of Alleged Dumped Imports.

“In terms of Section 41(3) of the Act, dumping margin shall be considered to be negligible if it is less than two percent, expressed as a percentage of the export price. Dumping margins, set out in paragraph 26.2 supra, are above the de minimis level, however as explained above the dumping margins calculated by the Commission are invalid and counter factual, for the reasons well explained above as the computations and the figuring of export prices and normal values for both the exporting countries are without foundation and misconstrued.....”

Cumulation of Dumped Imports.

“It has been concluded and informed in the above paragraph that the total imports ex Canada of the investigated product during the POI is certainly below the negligible amount, therefore it cannot be alleged that Canadian imports were above the threshold, as far as Russian Federation is concerned, the quantities are in numbers but for reasons already discussed about grades and thickness, width, specifications and difference in end usages of both Canadian and Russian Federation imports of the investigated product to that of domestic like product, it cannot by any means be concluded that there was a competition between alleged imported product and domestic like product as the imported product is far more better than the domestic like product and has various end usages unlike domestic like product, as well as comes in much more varied sizes than the limited availability and scope of domestic like product.....”

“The Commission gives the impression that by any means it wishes to get the duty imposed however in the POI the domestic industry’s share of domestic market increased, its sales increased, its profit and profitability increased, capacity increased, ability to raise capacity and return on investment increased, thus there was no material injury to the domestic industry.”

“The Commission lacks to understand that there was no causal link between increased in investigated imports to that of injury to the domestic industry reasons were financial, capacity increase and cost of inputs increased.”

please refer paragraph 28 of the report

Please refer paragraph 30 and Part C, “Injury to the domestic Industry” and Part D “Causation” of this report.