



**Government of Pakistan
National Tariff Commission**

Report

On

Final Determination of the Anti-dumping Investigation on Dumped Imports of Offset Printing Ink Originating in and/or Exported from the People's Republic of China and the Republic of Korea

ADC No. 40/2015/NTC/OPI

April 05, 2022

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People's Republic of China and the Republic of Korea

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

2. The Commission conducted this investigation on dumped imports of Offset Printing Ink into Pakistan Originating in and/or exported from the People's Republic of China and the Republic of Korea (the "Exporting Countries"), under the Act and the Rules. The Commission made final determination in this investigation under Section 39 of the Act on July 14, 2017 and concluded this investigation without imposition of anti-dumping duties on dumped imports of the Offset Printing Ink.

3. M/s DIC Pakistan Limited, Lahore (the "Applicant") filed an appeal in Antidumping Appellate Tribunal Islamabad (the "Tribunal") against the Commission's decision of non-imposition of antidumping duties against dumped imports of Offset Printing Ink on July 14, 2017. The Honorable Tribunal in its judgment in Appeal 215 of 201, dated February 17, 2022 directed that:

"...the perusal of SEF shows that it does not contain the above facts on which the NTC based its conclusion. The Commission thus failed to comply with the provision of rule 14(8) of the Rules that resulted in denying the appellant's right of rebuttal granted in rule 14(9) of the Rules."

"....we are of the view that Commission's finding are not consistent with facts and law. Accordingly, the Final determination impugned here in dated 14.07.2017 is set aside and the matter is remanded to the Commission for de novo determination in the light of observations made in above paragraph, strictly in accordance with the ADD Act and the rules made thereunder, within a period of 45 days...."

4. The Tribunal at paragraph 15 of its judgment held that the Commission in its final determination violated Rule 14 (8) of the Rules by failing to disclose essential facts. Such facts include that investigated product and domestic like product were not in competition, domestic industry operated at a low capacity, injury was caused due to domestic industry's own incapacities and imports from other sources caused injury to domestic industry. It is pertinent to mention here that the above- mentioned statements fall in the ambit of conclusive analysis that indicates that the final determination shall be negative. Therefore, in line with the proviso mentioned in sub-rule (8) of Rule 14 of the Rules, the Commission did not disclose its analysis in the statement of essential facts. The Commission is of the view that the Tribunal's judgment regarding disclosure requirement is not in line with the requirement of Rule 14 (8) of the Rules. However, the Commission has complied with the judgment of the Tribunal as there were some other discrepancies within the final determination.

5. After the judgment of the honorable Tribunal, the Commission afforded an opportunity of hearing to all interested parties on March 21, 2022. The domestic industry, importers and the

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People's Republic of China and the Republic of Korea

exporters attended the hearing (list of participants attached at Annex-I). The participants were informed by the Commission that the scope of the hearing is limited to the extent of re-examining injury in light of observations made by the Honorable Tribunal. The comments of interested parties received in response to the hearing and annotated replies of the Commission are attached at Annex-II.

6. In perusal of observations made by the Honorable Tribunal, the Commission has re-examined the final determination dated July 14, 2017 to the extent of injury.

A. INJURY TO DOMESTIC INDUSTRY

7. **Determination of Injury**

7.1 Section 15 of the Act sets out the principles for determination of material injury to the domestic industry and provides as follows:

“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...”*

7.2. 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”.

7.3 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.

8. **Cumulation of Dumped Imports**

8.1 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

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink from the People’s Republic of China and the Republic of Korea

“(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”.

8.2 Volume of dumped imports during the POI from the Exporting Countries was above the negligible quantity. Furthermore, dumping margins for each country was also more than the *de-minimis* level.

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

Table – I
Weighted Average C&F Export Price

Exporting Country	Weighted Average C&F Price based on:	
	PRAL’s information*	Cooperated exporters’ information**
(1)	(2)	(3)
China	100	154
Korea	114	201

*Based on PRAL Import data

**Based on weighted average C&F

Price of exporters from China & Korea

Note: To maintain confidentiality actual figures have been indexed with respect of Weighted Average C&F Export Price of China based on PRAL import data by taking it equal to 100

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

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

9. **Domestic Industry**

9.1 The domestic industry producing Offset Printing Ink consists of following two units:

- (a) DIC Pakistan Limited (Applicant)
- (b) Spring Inks & Chemicals

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People's Republic of China and the Republic of Korea

9.2 Spring Inks & Chemicals Ltd. has not provided information. Therefore, injury analysis carried out in following paragraphs is based on the information of the Applicant. As the Applicant represent 52.51 percent share of the domestic production, therefore, results drawn for this analysis will project the entire domestic industry.

10. **Volume of Dumped Imports**

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

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

Table – II
Volume of Dumped Imports

Period	Dumped Imports	Total Imports	Domestic Production**	Dumped Imports as %age of Domestic Production
(1)	(2)	(3)	(4)	(5)
Oct 2012 – Sep 2013	94	100	26	367
Oct 2013 – Sep 2014	106	112	25	441
Oct 2014 – Sep 2015	146	153	25	595

Source: PRAL

** Production of both the domestic producers

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

10.3 It may be noted from the above table that the volume of dumped imports increased during the POI. The volume of dumped imports increased in absolute terms from *** Kgs in Oct 2012- Sep 2013 to *** Kgs in Oct 2013- Sep 2014 an increase of 12.68 percent, which further increased to *** Kgs in Oct 2014- Sep 2015, an increase of 37.39 percent. The dumped imports from the Exporting countries as a percentage of domestic production increased from 441 percent in the year Oct 2013- Sep 2014 to 595 percent in the year Oct 2014- Sep 2015. There was significant increase (37.39 percent) in volume of dumped imports in absolute terms as well as relative to domestic production.

11. **Price Effects**

11.1 The effect of dumped imports on the sales price of domestic like product in Pakistan has been examined to establish whether there has been significant price undercutting (the extent to which the price of the imported product is lower than the price of the domestic producers), price

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People's Republic of China and the Republic of Korea

depression (the extent to which the domestic producers experienced a decrease in its selling prices over time), and price suppression (the extent to which increases in the cost of production could not be recovered in selling price by the domestic producers).

11.2 Price Undercutting

11.2.1 During on-the-spot investigations it was found that the prices of imports obtained from PRAL were understated (under-invoiced). For like-to-like comparison and to neutralize impact of under-invoicing, the prices of imports obtained from PRAL have been jacked up equal to the difference (in percentage terms) between the C&F prices provided by the cooperating exporters and obtained from PRAL. Weighted average ex-factory price of the domestic like product and weighted average landed cost of the investigated product during the POI is given in the following table:

**Table – III
Price Undercutting**

Period	Domestic product's price	landed cost of dumped product	Price Undercutting
(1)	(2)	(3)	(4)
Oct 2012 – Sep 2013	100	67	33
Oct 2013 – Sep 2014	104	77	27
Oct 2014 – Sep 2015	108	82	24

Source: Applicant

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

11.2.2 It appears from the above table that the landed cost of the investigated product undercut the average price of domestic like product throughout the POI.

11.3 Price Depression

11.3.1 The weighted average ex-factory price of the Applicant during the POI is given in the table below:

**Table – IV
Price Depression**

Period	Domestic Like Product' Price	Price depression
(1)	(2)	(3)
Oct 2012 – Sep 2013	100	---
Oct 2013 – Sep 2014	104	---
Oct 2014 – Sep 2015	108	---

Source: Applicant

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

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People's Republic of China and the Republic of Korea

11.3.2 The above table shows that the weighted average ex-factory price of domestic like product increased from Rs. ***/Kg in Oct 2012-Sep 2013 to Rs. ***/Kg in Oct 2013-Sep 2014. It further increased to Rs. ***/Kg Oct 2014- Sep 2015. The weighted average price of domestic like product increased throughout the POI.

11.4 **Price Suppression**

11.4.1 The following table shows the weighted average cost to make and sell and the weighted average ex-factory sales price of the domestic like product during the POI:

Table – V
Price Suppression

Period	Weighted Average cost to make & sell of domestic like product	Weighted Average ex-factory price of domestic like product	Price Suppression	
			Increase/ (decrease) in COP	Increase/ (decrease) in price
(1)	(2)	(3)	(4)	(5)
Oct 2012 – Sep 2013	100	98	---	---
Oct 2013 – Sep 2014	109	103	9	4
Oct 2014 – Sep 2015	110	106	1	3

Source: Applicant

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

11.4.2 The above table shows that the weighted average cost to make and sell of domestic like product increased by Rs.**/Kg in Oct 2013- Sep 2014, which further increased by Rs.**/Kg in Oct 2014- Sep 15. However, the weighted average price of domestic like product increased by Rs. **/Kg in Oct 2013- Sep2014, which further increased by Rs. **/Kg in Oct 2014- Sep 2015. The domestic industry could not increase sales price of domestic like product as compared to the increase in cost to make and sell during Oct 2013- Sep 2014 and experienced price suppression.

12. **Effects on Market Share**

12.1 The total domestic demand for Offset Printing Ink in Pakistan is met through local production and imports. To establish the size of Pakistani market, sales of domestic like product and imports of the investigated product from the Exporting Countries and imports of Offset Printing Ink from other sources have been taken into account:

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People’s Republic of China and the Republic of Korea

**Table – VI
Market Share**

(%)

Period	Sales by domestic industry*	Imports from		Total Domestic market
		Dumped Source	Dumped Source	
(1)	(2)	(3)	(4)	(5)
Oct 2012 – Sep 2013	20.25	75.32	4.43	100.00
Oct 2013 – Sep 2014	17.62	78.47	3.91	108.16
Oct 2014 – Sep 2015	13.63	82.42	3.93	141.48

Source: PRAL, Applicant

* Sales by the domestic industry include the sales of the Applicant and estimated sales of Spring Ink & Chemicals.

12.2 The above table shows that the domestic market of offset printing ink increased by 8 percent and 31 percent during the years Oct 2013- Sep 2014 and Oct 2014-Sep 2015 respectively. The domestic industry’s market share declined consistently during the POI. The market share of domestic industry declined from 20.25 percent in Oct 2012- Sep 2013 to 17.62 percent in Oct 2013-Sep 2014, which further declined to 13.49 percent in Oct 2014-Sep 2015. Whereas, the market share of the dumped imports from the Exporting Countries increased from 75.32 percent in Oct 2012-Sep 2013 to 78.47 percent in Oct 2013-Sep 2014, which further increased to 82.42 percent in Oct 2014-Sep 2015. Imports from other sources decreased from 4.43 percent in Oct 2012-Sep 2013 to 3.91 percent in Oct 2013-Sep 2014 which increased to 3.93 percent in Oct 2014-Sep 2015. It may be noted that almost 80 percent of the total domestic market is captured by imports from dumped sources at lower prices.

13. **Effects on Sales**

13.1 The domestic industry’s sales of the like product during the POI are given in table below:

**Table – VII
Domestic Sales**

Period	Applicant’s sales	Domestic Industry’s sales
(1)	(2)	(3)
Oct 2012 – Sep 2013	100	185
Oct 2013 – Sep 2014	89	174
Oct 2014 – Sep 2015	91	176

Source: the Applicant

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

13.2 The above table shows that the Applicant’s sales of Offset Printing Ink decreased from *** Kgs in Oct 2012-Sep 2013 to *** Kgs in year Oct 2013-Sep 2014 and then slightly increased to *** Kgs in Oct 2014-Sep 2015. However, the sales of the domestic like product decreased by 8.76 percent in Oct 2014-Sep 2015 as compared to sales in Oct 2012-Sep 2013

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People's Republic of China and the Republic of Korea

14. **Effects on Production and Utilization of Capacity**

14.1 Details of production and the capacity utilized of the Applicant during the POI are given in the table below:

**Table – VIII
Capacity Utilization**

Period	Capacity Utilization (%)
(1)	(2)
Oct 2012 – Sep 2013	11
Oct 2013 – Sep 2014	10
Oct 2014 – Sep 2015	10

Source: Applicant

14.2 The capacity utilization of the domestic industry decreased from 11 percent in year Oct 2012-Sep 2013 to 10 percent in year Oct 2013-Sep 2014 and Oct 2014-Sep 2015. It may be noted that despite of having capacity the Applicant could not achieve a reasonable level of production and capacity utilization because of very low prices of dumped imports with undercutting of more than 24 to 33 percent.

15. **Effects on Profits/Loss**

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

**Table – IX
Profit/ (Loss)**

Period	Net Profit/(Loss)
(1)	(2)
Oct 2012 – Sep 2013	(100)
Oct 2013 – Sep 2014	(350)
Oct 2014 – Sep 2015	(205)

Source: Applicant

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

15.2 The above table shows that the Applicant faced losses during the POI. The loss of the company was *** million in year Oct 2012-Sep 2013 which increased to *** million in Oct 2013-Sep 2014 and then decreased to *** million in year Oct 2014-Sep 2015. The price undercutting did not let domestic industry increase its price to a level which covers its cost of production which ultimately resulted in losses. Even at current price, the domestic industry could not sell its product at a reasonable quantity as the prices of dumped imports were less than half of the prices of domestic industry. In this event of negative contribution margin, every unit sold contributes towards loss.

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People's Republic of China and the Republic of Korea

16. **Effects on Cash Flow**

16.1 The Applicant is a multi-product company as it also produces other types of inks. Cash flows cannot be determined separately for different products, as number of factors of cash flows are combine for all products.

16.2 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.”

16.3 Keeping in view Section 17(2) of the Act, the effects on cash flows are assessed for entire operations of the Applicant. Therefore, Applicant’s total cash flows for the POI are provided in the following table:

**Table – X
Cash Flow**

Period	Net Cash flow
(1)	(2)
Oct 2012 – Sep 2013	100
Oct 2013 – Sep 2014	80
Oct 2014 – Sep 2015	265

Source: Applicant

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

16.4 The above table shows that domestic industry’s net cash flow from operations at the overall company level increased from Rs. *** million in Oct 2012-Sep 2013 to Rs.*** million in Oct 2014-Sep 2015.

17. **Effects on Return on Investment**

17.1 As stated earlier that the Applicant is a multi-product company, therefore investment and return on investment (ROI) cannot be determined separately for different products as investment (equity/loans) is made for entire company. Based on the total profits (before tax) and net assets of the Applicant, return on investment is determined, which is provided in the following table:

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink from the People's Republic of China and the Republic of Korea

Table-XI
Return on Investment

Period	ROI
(1)	(2)
Oct 2012 – Sep 2013	29.18%
Oct 2013 – Sep 2014	19.58%
Oct 2014 – Sep 2015	19.05%

Source: Applicant

17.2 The above table shows that the Applicant's ROI declined from 29.18 percent in Oct 2012-Sep 2013 to 19.05 percent in Oct 2014-Sep 2015.

18. **Effects on Inventories**

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

Table – XII
Effect on Inventories

Period	Opening Inventory	Production	Domestic Sales	Internal Consumption	Closing Inventory
(1)	(2)	(3)	(4)	(5)	(6)
Oct 2012 – Sep 2013	2.95	100	97.62	1.87	3.46
Oct 2013 – Sep 2014	3.46	88.63	86.96	2.00	3.13
Oct 2014 – Sep 2015	3.13	91.58	89.06	1.73	3.92

Source: Applicant

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

18.2 The above table shows that the closing inventories of the domestic like product decreased from *** Kgs in Oct 2012-Sep 2013 to *** Kgs in Oct 2013-Sep 2014 and then increased to *** Kgs in Oct 2014-Sep 2015 which is the POI of dumping. The domestic sales of the domestic industry reduced from *** Kgs to *** Kgs, due to which domestic industry had to cut down its production during the POI.

19. **Effects on Employment, Productivity and Wages**

19.1 The information on employment, productivity and wages of the Applicant are given below in the table:

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People's Republic of China and the Republic of Korea

Table – XIII
Employment, Productivity and Wages

Period	No. of Employees	Salaries & Wages in	Production	Productivity per worker	Salaries & Wages Rs./Kg
(1)	(2)	(3)	(4)	(5)	(6)
Oct 2012 – Sep 2013	100	100	100	100	100
Oct 2013 – Sep 2014	100	108	89	89	124
Oct 2014 – Sep 2015	100	128	92	92	141

Source: Applicant

Note: To maintain confidentiality actual figures have been indexed with respect figures of year Oct 2012-Sep 2013 of respective column by taking them equal to 100.

19.2 The above table shows that the employment in the domestic industry remained the same during the POI, whereas, the productivity per worker decreased from *** in Oct 2012-Sep 2013 to *** in Oct 2014-Sep 2015. The salaries and wages increased from Rs. **/Kg in Oct 2012-Sep 2013 to Rs. **/Kg in Oct 2013-Sep 2014 which further increased to Rs. **/Kg in Oct 2014-Sep 2015.

20. **Effect on Growth**

At present total installed production capacity of the Applicant is *** Kgs, whereas the Applicant is utilizing only 10 percent of its available capacity. As the Applicant is selling the domestic like product below cost to make and sell, therefore, no growth can be anticipated in such an industry. In this situation it is not feasible for the Applicant to invest in assets and achieve positive growth.

21. **Effect on Ability to Raise Capital**

According to the above analysis, it seems that domestic industry has sufficient capacity available to be utilized and it does not require additional investment. From the information and evidence submitted by the Applicant, it is concluded that the domestic industry did not suffer material injury on account of ability to raise capital during the POI.

22. **Summing up of Material Injury**

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

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People's Republic of China and the Republic of Korea

Table – XIV
Effects of Dumped Imports

Injury Factor	Oct 12-Sep 13	Oct 13-Sep 14	Oct 14-Sep 15
(1)	(2)	(3)	(4)
Volume of dumped imports	94	106	146
Dumped imports as % of domestic production (%)	367	441	595
Production of domestic like product	26	25	25
Price Undercutting (%)	33	27	24
Market share of dumped imports (%)	75.32	78.47	82.42
Market share of domestic like product (%)	20.25	17.62	13.63
Sales of the domestic like product	100	89	91
Capacity utilization of domestic industry%	11	10	10
Closing inventory of domestic like product	3.46	3.13	3.92
Profits	(100)	(350)	(205)
ROI (%)	29.18	19.58	19.05
Net cash flows	100	80	265
Productivity per worker (Kg/worker)	100	89	92

22.2 The above table shows that volume of dumped imports increased significantly by 37.39 percent during the period Oct 2014-Sep 2015 over the preceding year. The dumped imports from the Exporting countries as a percentage of domestic production increased from 441 percent in the year Oct 2013-Sep 2014 to 595 percent in the year Oct 2014-Sep 2015. There was increase in volume of dumped imports in absolute terms as well as relative to domestic production.

22.3 The domestic industry suffered significant price under-cutting during the POI as the landed cost of investigated product undercut the sales price of domestic like product in the range from 23 percent to 33 percent. The domestic industry also suffered material injury on account price suppression during the POI.

22.4 It is also evident from the above table that the production and sales of the domestic industry decreased during the POI. Hence, the domestic industry suffered material injury on account of decline in production and sales.

22.5 The market share of the domestic industry decreased from 20.25 percent to 13.63 percent whereas, the market share of dumped imports increased from 75.32 percent to 82.42 percent during the POI.

23. Other Factors

23.1 In accordance with Section 18(2) of the Act, the Commission also examined factors, other than dumped imports of the investigated product, which could at the same time causing

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People's Republic of China and the Republic of Korea

material injury to the domestic industry, in order to ensure that possible injury caused by other factors is not attributed to the dumped imports.

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

Table-XV
Volume and Prices of Offset Printing Ink other than Dumped Source

Period	Imports from other sources	Weighted Average landed cost of Offset Printing Ink from other than dumped source	Weighted Average price of domestic like product
(1)	(2)	(3)	(4)
Oct 2012 – Sep 2013	100	100	100
Oct 2013 – Sep 2014	95	106	104
Oct 2014 – Sep 2015	126	78	108

Source: PRAL, Applicant

Note: To maintain confidentiality actual figures have been indexed with respect figures of year Oct 2012-Sep 2013 of respective column by taking them equal to 100.

23.3 The above table shows that the volume of imports from sources other than dumped source has decreased from *** Kgs in Oct 2012-Sep 2013 to *** Kgs in Oct 2013-Sep 2014, which increased to *** Kgs in Oct 2014-Sep 2015. The weighted average landed cost of Offset Printing Ink from sources other than dumped source was lower than the weighted average price of domestic like product throughout the POI.

23.4 Dumped imports accounted for 94 percent of the total imports throughout the POI. Landed cost of imports from other source was higher than the landed cost of the dumped imports. Since volume of imports from other sources was very low as compared with the imports from dumped sources, it is, therefore, concluded that the domestic industry did not suffer material injury due to imports of Offset Printing from sources other than dumped source during the POI.

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

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink from the People's Republic of China and the Republic of Korea

Table-XVI
Total Domestic Market of Offset Printing Ink

Period	Sales by the Domestic Industry*	Imports		Total domestic market
		Dumped Sources	Other than Dumped Sources	
(1)	(2)	(3)	(4)	(5)
Oct 2012 – Sep 2013	20	75	5	100
Oct 2013 – Sep 2014	19	85	4	108
Oct 2014 – Sep 2015	19	117	6	142

Source: PRAL, Applicant

* Sales by the domestic industry includes the sales of all domestic producers including Applicant.

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

23.6 The above table shows that there is no contraction in demand of Offset Printing Ink during the POI rather the total demand of Offset Printing Ink increased from *** Kgs in Oct 2012-Sep 2013 to *** Kgs in Oct 2014-Sep 2015. Based on the above facts, the Commission has concluded that there is no contraction in demand of Offset Printing Ink and there are no changes in the pattern of consumption of Offset Printing Ink in Pakistan, hence, the domestic industry did not suffer material injury due to contraction in demand and changes in the pattern of consumption of Offset Printing Ink during the POI.

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

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

B. CAUSATION

24. Effect of Dumped Imports

24.1 From the foregoing analysis it appears that the volume of the dumped imports significantly increased during Oct 2014-Sep 2015 which caused significant price undercutting, price suppression, decline in sales, production, capacity utilization, profits, productivity. This also resulted in negative effect on cash flows and salaries & wages.

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People's Republic of China and the Republic of Korea

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

- (a) Volume of dumped imports of the investigated product increased significantly in absolute as well as relative to production of the domestic like product;
- (b) Domestic industry experienced price undercutting and price suppression due to dumped imports of the investigated product;
- (c) Domestic industry experienced decline in sales, production, capacity utilization, profits, productivity due to dumped imports;
- (d) Domestic industry faced negative effect on inventories and salaries and wages;

C. CONCLUSIONS

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

- (a) the application was filed by the domestic industry as the Applicant represent 52.27 percent of the production of domestic like product;
- (b) the investigated product and the domestic like product are alike products;
- (c) During the POI, the investigated product was exported to Pakistan by the exporters/ producers from the Exporting Countries at prices below its normal value;
- (d) the volume of dumped imports of the investigated product and the dumping margins established for the exporters/ producers of the investigated product from the Exporting Countries are above the negligible and *de minimis* levels respectively;
- (e) the dumping margins expressed as a percentage of weighted average adjusted export price at ex-factory level is ranging between 2.50 percent to 19.08 percent for exporters/ producers from the Exporting Countries;
- (f) the domestic industry suffered material injury on account of volume of dumped imports, price undercutting, price suppression, decline in production, sales, profits, productivity, capacity utilization; negative effect on salaries and wages in terms of Section 15 and 17 of the Act; and
- (g) there is a causal relationship between dumped imports of the investigated product and the material injury to the domestic industry.

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People's Republic of China and the Republic of Korea

D. IMPOSITION OF DEFINITIVE ANTIDUMPING DUTY

26. In view of the analysis and conclusions with regard to dumping, material injury, and causation, the Commission is required to impose antidumping duties on dumped imports of the investigated product under Section 50(1) of the Act.

27. Individual dumping margins have been determined for the exporters/producers of the investigated product who supplied information for this investigation and the rate of antidumping duty for these exporters/producers is determined. Dumping margin/duty rate for all other exporters/foreign producers of the Exporting Countries who have not provided information in this investigation has been determined on the basis of best information available in accordance with Section 32 of the Act.

28. However, for the purpose of imposition of lesser duty in terms of Section 43 (1) 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 October 2014 to September 2015 is given below:

Table-XVII
Calculation of Injury

Cost to make & Sell of Domestic industry	100
Estimated Profits (5% of cost to make & sell)	5
Estimated non-injurious price	105
C & F price of investigated product	62
Landed cost of investigated product	73
Injury Margin (Non-injurious price-landed cost)/ C & F Price *100	50.83 %

29. It is observed from the above that injury margin works out 50.83 percent which is higher than the dumping margins determined for exporters/producers from the Exporting Countries mentioned at paragraph 27 infra. Therefore, lesser duty would not be applicable in this case.

30. In terms of Section 51 of the Act, following definitive antidumping duty rates are hereby imposed on the dumped imports of the investigated product importable from the Exporting Countries till July 20, 2022. The definitive antidumping duties rates are determined on C&F value in *ad val.* terms. Offset Printing Ink is classified under PCT heading Nos. 3215.1110, 3215.1190, 3215.1910, 3215.1990:

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink from the People's Republic of China and the Republic of Korea

Table-XVIII
Definitive Anti-dumping Duties Rates

Country	Exporter/ Producer	Definitive Duty Rate (%)
(1)	(2)	(3)
China	Exporters chosen as sample;	
	• Jinan Crown Ink Co. Ltd.	17.92
	• Shanghai Silian Printing Ink Chemical Co. Ltd.	16.67
	Cooperated Exporter;	
	• Shanghai Peony Printing Ink Co., Ltd.	17.43
	Others	17.92
Korea	Exporters chosen as sample;	
	• Daihan Ink Co. Ltd	2.16
	• Dong Yang Ink Co. Ltd.	12.88
	Cooperated Exporter;	
	• Kwang Myung Ink Co. Ltd	6.95
	• Joeun Ink and Chemical Co. Ltd	6.95
	• Korean Printing Ink Co. Ltd.	6.95
	Others	12.88

31. Offset Printing Ink imported from sources, other than the Exporting Countries shall not be subject to these definitive antidumping duties.

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

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

34. 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.

(Muhammad Saleem)
Member
April 05, 2022

(Anjum Assad Amin)
Member
April 05, 2022

(Robina Ather)
Chairperson
April 05, 2022

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People's Republic of China and the Republic of Korea

Annexure-I

List of Participants

S. No	Name	Organization
1	Ms. Robina Ather, Chairperson	National Tariff Commission
2	Mrs. Anjum Assad Amin, Member	National Tariff Commission
3	Mr. Muhammad Saleem, Member	National Tariff Commission
4	Mr. Imran Zia, Director General	National Tariff Commission
5	Mr. Ali Muhammad Shah, Secretary	National Tariff Commission
6	Mr. Muhammad Arshad, Director	National Tariff Commission
7	Mr. Ahmed Sheraz, CLO	National Tariff Commission
8	Mr. Muhammad Sarfraz Nawaz Khan, Deputy Director	National Tariff Commission
9	Mr. Mazhar Ghafoor, Assistant Director	National Tariff Commission
10	Mr. Saifullah Khan, Consultant	Representative of M/s DIC Pakistan
11	Mr. Jabar Hussain, Consultant	Representative of M/s DIC Pakistan
12	Mr. Charlie, Exporter	Representative of M/s Dong Yang Ink
13	Mr. Ch Safi Muhammad, Consultant	Representative of M/s Dong Yang Ink and Al-Faiz Traders
14	Mr. Mubashir Barry, Importer	Importer of Offset Printing Ink
15	Mr. Jay, Exporter	Representative of M/s Jinan Crown Ink
16	Ms. Dora Hu, Consultant	Representative of M/s Jinan Crown Ink
17	Mr. Saad Wyne, Consultant	Representative of M/s Jinan Crown Ink, M/s Dong Yang Ink and M/s local importers
18	Mr. Muhammad	Representative of M/s Al-Qamar Imports (Pvt). Ltd
19	Mr. Bill	Representative of Exporter
20	Mr. Seongil Hong	Representative of Exporter

Final Determination of the Antidumping Investigation on Dumped Imports of Offset Printing Ink
from the People's Republic of China and the Republic of Korea

Annexure-II

Comments of Interested Parties	NTC View
<p data-bbox="264 407 768 438"><u>Jinan Crown Ink Co. Limited, China</u></p> <p data-bbox="235 478 800 842">“The Anti-dumping investigation conducted by NTC started on 7th December 2015 and ended on 21st July 2017. It took totally 592 days (19 months and 14 days) to get the final determination. As one of the interested parties, we JCI did our best to provide all the data required and we are sure you were satisfied with our cooperation both with the electronic data provides and the on-the-spot verification.”</p> <p data-bbox="235 919 800 1171">“...the Final Determination to the Anti-dumping Investigation by your honored NTC was made with a serious and responsible attitude. The Final Determination concluded that there's no Injury to the domestic industry after the careful investigation and analysis.”</p> <p data-bbox="235 1283 800 1423">“...10 years is an epoch, what is the significance to this re-investigation? The time range of last investigation is from October 1, 2012 to September 30, 2015.”</p>	<p data-bbox="824 478 1386 619">The Commission has re-examined the final determination only to the extent of injury in perusal of observations made by the Honorable Tribunal.</p> <p data-bbox="824 919 1024 951">Same as above.</p> <p data-bbox="824 1283 1024 1314">Same as above.</p>