NON-CONFIDENTIAL

PETITION FOR AN APPLICATION FOR ANTI-DUMPING DUTIES

PRODUCT

COLD-ROLLED STAINLESS STEEL

ORIGINATING/EXPORTED FROM

REPUBLIC OF INDONESIA (INDONESIA) AND THE SOCIALIST REPUBLIC OF VIETNAM (VIETNAM)

FILED BY

BAHRU STAINLESS SDN. BHD.
(811430-H)

NON-CONFIDENTIAL

GENERAL INFORMATION

PETITIONER: BAHRU STAINLESS SDN BHD

PRODUCT(S):
COLD-ROLLED STAINLESS STEEL PRODUCTS IN COILS OR IN SHEETS OR ANY OTHER FORM

COLD-ROLLED STAINLESS STEEL IN COILS OR SHEETS OR ANY OTHER FORM WITH THICKNESS OF 6.5 MM OR LESS

HS CODE UNDER THE CUSTOMS DUTIES ORDER 2017:

HS CODE:

7219.31.00 00
7219.32.00 00
7219.33.00 00
7219.34.00 00
7219.35.00 00
7220.20.10 00
7220.20.90 00

HS CODE UNDER THE CUSTOMS DUTIES ORDER 2012:

HS CODE:
7219.31 000
7219.32 000
7219.33 000
7219.34 000
7219.35 000
7220.20 130
7220.20 190
7220.20 900

AHTN CODE:
7219.31 0000
7219.32 0000
7219.33 0000
7219.34 0000
7219.35 0000

NON-CONFIDENTIAL

7220.20 1000
7220.20 9010
7220.20 9090

ORIGINATING IN:
REPUBLIC OF INDONESIA (INDONESIA) AND THE SOCIALIST REPUBLIC OF VIETNAM (VIETNAM)

EXPORTED FROM:
REPUBLIC OF INDONESIA (INDONESIA) AND THE SOCIALIST REPUBLIC OF VIETNAM (VIETNAM)

PERIODS USED IN THIS PETITION SUBMISSION:

Year 1	: 1 JANUARY 2017 – 31 DECEMBER 2017
Year 2	: 1 JANUARY 2018 – 31 DECEMBER 2018
Period of Investigation (POI)	: 1 JANUARY 2019 – 31 DECEMBER 2019
Period of Injury Determination (POID)	: 1 JANUARY 2017 – 31 DECEMBER 2019

STATUTORY REFERENCE:

Countervailing and Anti-Dumping Duties Act 1993
Countervailing and Anti-Dumping Duties Regulations 1994
Article VI of the General Agreement on Tariffs and Trade 1994

SUBMIT THE PETITION TO:

THE DIRECTOR
TRADE PRACTICES SECTION
MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY
MITI TOWER
7, JALAN SULTAN HAJI AHMAD SHAH
50480 KUALA LUMPUR
MALAYSIA

FACSIMILE: 603-6201 6394

TABLE OF CONTENTS

SECTION A
PETITIONER'S INFORMATION

A-1 Petitioner's Contact Information

Company

Name: Bahru Stainless Sdn Bhd
Address: PTD 4069 (PLO 108) Jalan Rumbia 4, Tanjung Langsat Industrial Complex, 81700 Pasir Gudang, Johor, Malaysia.
Telephone: 019-779888

Facsimile: 07-2513186
Email: dario.mesonero@bahrustainless.com
aswirni.tinmerasamy@bahrustainless.com
Web page: www.acerinox.com

Factory

Name: Bahru Stainless Sdn Bhd
Address: PTD 4069 (PLO 108) Jalan Rumbia 4, Tanjung Langsat Industrial Complex, 81700 Pasir Gudang, Johor, Malaysia.
Telephone: 019-779888
Facsimile: 07-2513186

Contact person

Name: Mr. Dario Mesonero-Romanos Vivanco
Position/Designation: Commercial Director
Address: PTD 4069 (PLO 108) Jalan Rumbia 4, Tanjung Langsat Industrial Complex, 81700 Pasir Gudang, Johor, Malaysia.
Telephone: 0197244130
Facsimile: 07-2513186
Email: dario.mesonero@bahrustainless.com

A-2 Legal Representative of the Petitioner

Name of legal representative/consultant: Lee Hishammuddin Allen & Gledhill
Name of contact person: Mr. Jason Tan
Address: Level 6, Menara 1 Dutamas, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur
Telephone: 03-62085873
Facsimile: 03-62010122
Email: tjx@lh-ag.com

A-3 Corporate Information of the Petitioner

Bahru Stainless Sdn Bhd (811430-H) is herein referred to as BAHRU. BAHRU is a private company limited by shares. BAHRU is an upstream manufacturer of stainless steel products. BAHRU's shareholding structure is provided in the confidential version of the petition.

Information about the relationship between related companies of BAHRU is provided as a list of the names, addresses, email, telephone and facsimile numbers of all subsidiaries or other related companies in all countries that are involved with the production, sale, R&D, distribution and supply of the product in the Malaysian market and export market during the investigation period with the indication of the activities of each related company and percentage of share.

Table A-3.2: Related Companies Listing

Name, address, email, telephone, fax of related company in all countries	List of activities	Tick if manufacturer of the Like Product √	Tick if supplier of input used in the manufacturing of the Like Product √	Tick if importer of the Like Product √	Percentage of your company's shareholding in related company	Percentage of related company's shareholding in your company
******	Integrated manufacturer of Stainless Steel	√	√	-	0	0
******	Integrated manufacturer of Stainless	Ö	√	-	0	0

	Steel					
******	**Integrated manufacturer of Stainless Steel**	√	√	-	**0**	**0**

For above listed companies BAHRU would like to clarify that:

BAHRU has common shareholders with the abovementioned companies (*******) involved in the production or manufacture of the Like Product in other countries or in the production of stainless steel products.

******* (the majority shareholder is ******, None of the above companies have exported the Like Product/Subject Merchandise into Malaysia.

SECTION B
ACCOUNTING SYSTEM AND POLICIES

Accounting System and Policies

The financial year for BAHRU begins from 1 January and ends on 31 December to indicate the accounting period or financial year. BAHRU holds the accounting records of its activities at the following address:

PLO 108 (PTD 4069), Jalan Rumbia 4, Tanjung Langsat Industrial Complex, 81700 Pasir Gudang, Johor, Malaysia.

For information related to its financial reporting refer to the confidential version of this petition.

The cost of product is monitored using the in-house developed system i.e. COLAMI. Actual cost is used in the allocation and average cost by production line is used in reporting the cost per unit.

Bahru applies the following principles for its General Accounting System:

- The cost of inventories is measured based on weighted average cost formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate share of production overheads.

- Incidental revenue is recognised upon occurrence of the transaction based on the same method as sales of product.

- To allocate costs from general cost categories to a specific product BAHRU uses: (Overhead cost / Production Tonnage) x Product Weight

- The depreciation and useful life of fixed assets are determined based on the Group policy. When there is a need to create a new asset component in order to reflect fair useful life of the assets, engineer in charge must assess the new depreciation rate and then the rate must be approved by BAHRU management. Depreciation is recognized on a straight-line basis over the useful live at a fixed asset.

- Cost and revenue of any by-product will be recognized in the Income Statement upon occurrence of the transaction.

SECTION C
DOMESTIC INDUSTRY

BAHRU is the sole producer of the like products in the domestic market and therefore fulfils the necessary requirements to present the petition as it accounts for:

- More than 50% of the total production of the like product by producers supporting/opposing the petition; and

- At least 25% of the total Malaysian production of the like products.

Table C-1: Total Production of Domestic Industry (POI)

	POI (1 January 2019 to 31 December 2019) Volume (MT)
A. Petitioner BAHRU STAINLESS SDN BHD (BAHRU IS THE SOLE PRODUCER IN MALAYSIA)	***
B. Companies supporting the application	NA
C. Companies opposing on the application	NA
D. Companies not commenting on the application - neutral (estimated)	NA
E. Total Malaysian Production A+B+C+D=E	***
F. Of the companies that have commented, the portion of production represented by companies supporting the application is (%) [(A+B)/(A+B+C)]x100	100%
G. The portion of total production supporting the application is (%) [(A+B)/(E)]x100	100%

Source: BAHRU Stainless Sdn. Bhd.

Based on the above, since BAHRU Stainless Sdn. Bhd. (BAHRU) is the only producer of the Like Product, BAHRU meets the requirements to qualify as representing the Domestic Industry producing the Like Product.

SECTION D
PRODUCT DESCRIPTION

D-1 Product Specifications

BAHRU is a producer of Cold Rolled Stainless Steel. Stainless steel is essentially a low carbon steel (1.2% or less by weight) which contains chromium at 10.5% or more by weight. This addition of chromium gives the steel its unique stainless, corrosion resisting properties. The chromium content of the steel allows the formation of the corrosion-resisting chromium oxide film, which is slim as invisible, adherent on the steel surface. If damaged mechanically or chemically, this film is self-healing, providing that oxygen, even in very small amounts, is present. The corrosion resistance and other useful properties of the steel are enhanced by increased chromium content and the addition of other elements such as Molybdenum, Nickel and Nitrogen.

Domestically manufactured Like Products are the cold-rolled stainless steels in coils or in sheets containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements.

BAHRU produces cold-rolled stainless steel in coils or sheets with thickness of 6.0mm or less that is annealed or otherwise heat treated and pickled or otherwise de-scaled to clean the stainless steel of excess residue. These products are further processed (to be cut or split) provided that the process does not change the specification features of the products.

Basically, domestically manufactured like products and imported products under investigation have no difference. In Malaysia market, like products and imported products compete directly to each other with respect to the steel products under investigation.

BAHRU is currently producing Austenitic and Ferritic Stainless Steel in various Cold Roll Finishes (2B, 2D, 2BB, NO4, SB, HL) and in gauge of 6 mm and below and width of 1600mm and below.

Full details of the products produced and/or exported by BAHRU include:

a. physical, technical and chemical characteristics:

Structure	Bahru Stainless	Chemical Composition									
		C	Si	Mn	P	S	Cr	Ni	Mo	Ti Ratio	N
Austenitic	B201060	0.15	1	5.5-7.5	0.06	0.03	16-18	3.5-5.5	-	-	0-0.25
	B301110	0.15	1	2	0.045	0.03	16-18	6.0-8.0	-	-	0.1
	B304120	0.07	0.75	2	0.045	0.03	17.5-19.5	8.0-10.5	-	-	0.1
	B304150	0.03	0.75	2	0.045	0.03	17.5-19.5	8.0-10.5	-	-	0.1
	B304151	0.03	0.75	2	0.045	0.03	18.0-19.5	8.0-10.5	-	-	0.1
	B321315	0.08	0.75	2	0.045	0.03	17.0-19.0	9.0-12.0	-	-	0.1
	B316240	0.03	0.75	2	0.045	0.03	16.0-18.0	10.0-14.0	2.0-3.0	-	0.1
	B310350	0.08	1.5	2	0.045	0.03	24.0-26.0	19.0-22.0	-	-	-
Structure	Bahru Stainless	Chemical Composition									
		C	Si	Mn	P	S	Cr	Ni	Mo	Ti Ratio	N
Ferritic	B409800	0.03	1	1	0.04	0.02	10.5-11.7	0.5	-	6x(C+N) - 0.5	0.03
	B430500	0.12	1	1	0.04	0.03	16.0-18.0	0.75	-	-	-
	B439515	0.03	1	1	0.04	0.03	17.0-19.0	0.5	-	0.15+4(C+N)	0.03
	B441845	0.03	1	1	0.04	0.015	17.5-18.5	-	-	-	-
	B444555	0.025	1	1	0.04	0.03	17.5-19.0	1	1.75-2.5	Ti+Nb [0.2+4 (C+N)]	0.035
	B410420	0.08	1	1	0.04	0.03	11.5-13.5	0.6	-	-	-
	B412220	0.03	1	1.5	0.04	0.015	10.5-12.5	0.3-1.0	-	-	0.03
	B436550	0.12	1	1	0.04	0.03	16.0-18.0	-	0.75-1.25	-	-

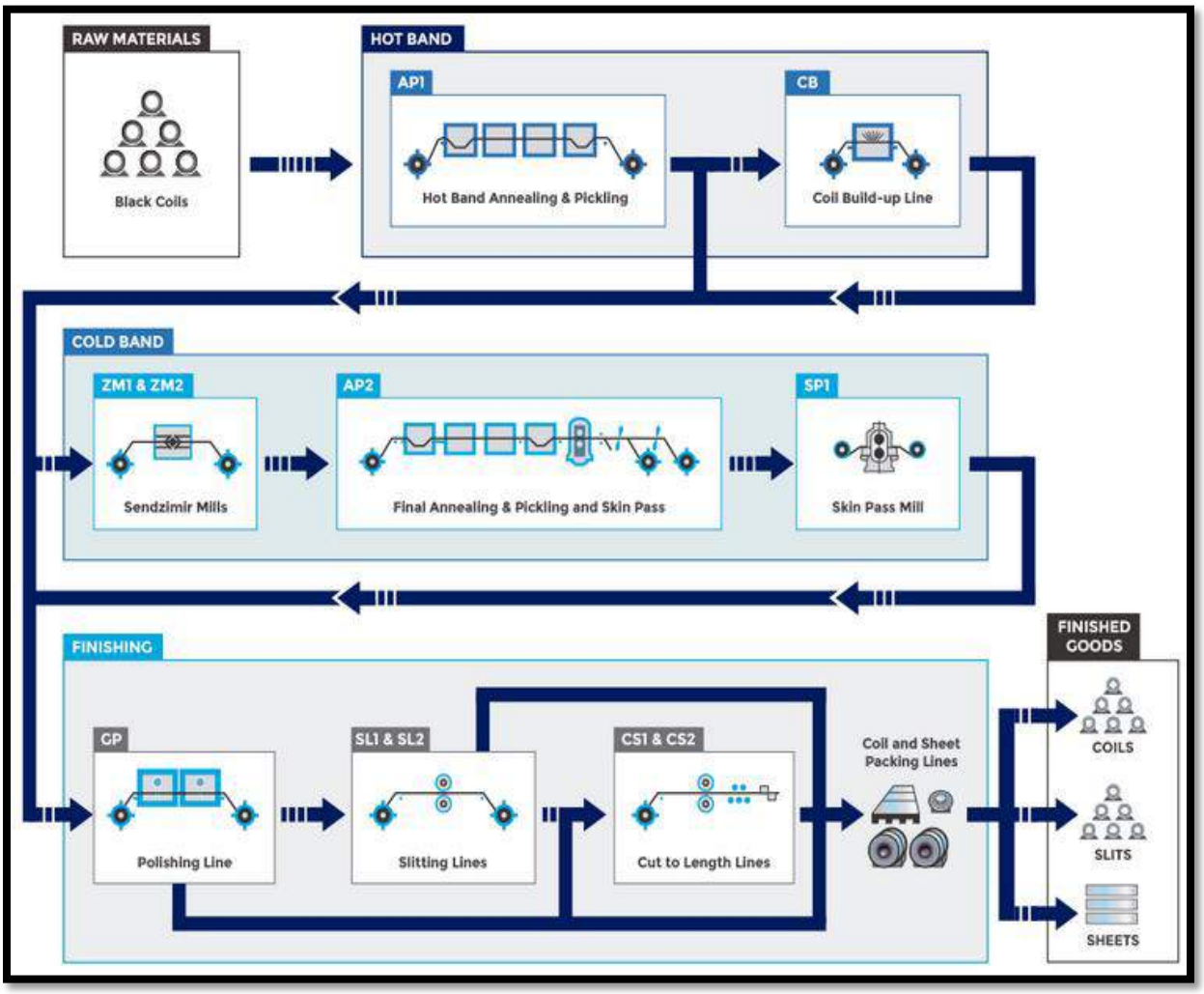
b. end use:

Int. Standards		Applications
EN	AISI	
1.4372	201	Decoration, household
1.4310	301	Architectural & automotive elements
1.4301	304	Food industry, tableware, household
1.4307	304L	Food industry, tableware, household
1.4541	321	Tubes, welded constructions, furnaces, high temperature applications
1.4401	316L	Tubes, boilers, tanks, marine environment
1.4845	310	Furnaces, high temperature applications
1.4512	409	Automotive exhaust pipes, silencers and catalytic converters
1.4016	430	Tableware, household, indoor deco applications
1.4510	439	Exhaust systems, domestic appliances
1.4509	441	Exhaust systems, domestic appliances
1.4521	444	Food processing equipment, heat exchanger tubing, hot water tanks
1.4000	410S	Petrochemical, annealing boxes
1.4003	-	Material handling, road transport, rail transport
1.4526	436	Exhaust Systems

c. brand names:

All of BAHRU's production is on commercial basis with BAHRU as manufacturer of the product. There are no brand names but generally producers of the CRSS follow the requirements of international standard organizations, the most common being, European Standard (EN), ASME, ASTM, JIS & AISI.

d. production process including flow chart:



e. specifications:

Mechanical Properties

Classification		Code			Mechanical Properties			
		AISI	EN	Bahru Stainless	Min. Yield Strength (Mpa)	Min. Tensile Strength (Mpa)	Min. Elongation (%)	Max. HRB Hardness
Semi-Austenitic		201	-	B201060	260	515	40	95
Austenitic	Cr-Ni	301	1.4310	B301110	205	515	40	95
		304	1.4301	B304120	205	515	40	92
		304L	1.4307	B304150	170	485	40	92
				B304151	170	485	40	92
		321	1.4541	B321315	205	515	40	95
	Cr-Ni-Mo	316L	1.4404	B316240	170	485	40	95
	Heat resistant	310	1.4845	B310350	205	515	40	95
Ferritic	Standard	409	1.4512	B409800	170	380	20	88
		430	1.4016	B430500	205	450	22	89
		439	1.451	B439515	205	415	22	89
		441	1.4509	B441845	250	430	18	88
		444	1.4521	B444555	275	415	20	96
	Utility	410S	1.4000	B410420	205	415	22	89
		3CR12L	1.4003	B412220	275	455	18	97
	Moly	436	1.4526	B436550	240	450	22	89

Chemical Properties

AISI	Chemical Composition (%)									
	C	Cr	Ni	Mo	Si	Mn	P	S	N	Ti Ratio
201	0.15	16.0-18.0	3.5-5.5	-	1	5.5-7.5	0.06	0.03	0-0.25	
301	0.15	16.0-18.0	6-8		1	2	0.045	0.03	0.1	
304	0.07	17.5-19.5	8-10.5	-	0.75	2	0.045	0.03	0.1	
304L	0.03	17.5-19.5	8-10.5	-	0.75	2	0.045	0.03	0.1	
321	0.08	17.0-19.0	9-12	-	0.75	2	0.045	0.03	0.1	
316L	0.03	16.0-18.0	10-14	2.00-3.00	0.75	2	0.045	0.03	0.1	
310	0.08	24.0-26.0	19-22	-	1.5	2	0.045	0.03	-	
409	0.03	10.5-11.7	0.5	-	1	1	0.04	0.02	0.03	Ti:6x(C+N) - 0.5
430	0.12	16.0-18.0	0.75	-	1	1	0.04	0.03	-	
439	0.03	17.0-19.0	0.5	-	1	1	0.04	0.03	-	Ti:0.15+4(C+N)
441	0.03	17.5-18.5	-	-	1	1	0.04	0.015	-	
444	0.025	17.5-19.0	1	1.75-2.5	1	1	0.04	0.03	0.035	Ti+Nb:[0.2+4(C+N)]
410S	0.08	11.5-13.5	0.6	-	1	1	0.04	0.03	-	
3CR12L	0.03	10.5-12.5	0.3-1.0	-	1	1.5	0.04	0.015	0.03	
436	0.12	16.0-18.0	-	0.75-1.25	1	1	0.04	0.03	-	

BAHRU Product Catalogue's is provided in the confidential version of the Petition.

Tables below show BAHRU's own product coding system. Including a key to BAHRU's product codes, including all prefixes, suffixes, or other notations, which identify special specifications.

Steel Type (Template from Orders Loaded)

Steel Type	Grades
304 / 304L	120, 121, 140, 150, 151, 160, 170, 180
316 / 316L	240, 241, 250, 270
301	110, 100
409	800, 801
439	439, 515, 516
409 Ni	409802
441	841, 845
430	430, 500, 531, 501
444	555
410 /410S	410, 410s, 420

429	429
321	315, 321
310s / 310	350, 351
3CR12	412,
200	200, 201
436	550, 551

Finishes (MAX BAHRU)

Finish	Code	Description
2B	22	Cold Rolled, Annealed & Pickled, Wet skin Pass
2BB	21	Cold Rolled, Annealed & Pickled, Dry Skin Pass, Special Rolled BA
2D	12	Cold Rolled, Annealed & Pickled
HL	53	Cold Rolled, Annealed & Pickled, Hair Line on GP, Wet Skin Pass
NO1	1	Hot Rolled, Annealed & Pickled in AP Hot
NO2	2	Stamped in Hot Rolled, Annealed & Pickled
NO4	46	Cold Rolled, Annealed & Pickled Grinding with G-240, Wet Skin-Pass
SB	51	Cold Rolling, Annealing & Pickling, Polishing with Scotch Brite
BA	70	Special Cold Rolled, Final Annealed on BA & Dry Skin Pass
BE	23	
CRMIX	98	

Products

Product Type	Code	Description
Coils	B	Flat
Sheets	C	Flat

The full range of products of the Subject Merchandise against which action is sought is described in the following section.

a. The physical, technical and chemical characteristics of the Subject Merchandise

Subject Merchandise is Cold Rolled Stainless Steel in coils or sheets or any other form with thickness of 6.5mm or less that is annealed/non-annealed or otherwise heat treated/not heat treated and pickled/not pickled or otherwise de-scaled to clean the stainless steel of excess residue.

Subject Merchandise are typically classified under codes:

HS CODE UNDER THE CUSTOMS DUTIES ORDER 2017:

HS CODE:

7219.31.00 00
7219.32.00 00
7219.33.00 00
7219.34.00 00
7219.35.00 00
7220.20.10 00
7220.20.90 00

HS CODE UNDER THE CUSTOMS DUTIES ORDER 2012:

HS CODE:
7219.31 000
7219.32 000
7219.33 000
7219.34 000
7219.35 000
7220.20 130
7220.20 190
7220.20 900

AHTN CODE:
7219.31 0000
7219.32 0000
7219.33 0000
7219.34 0000
7219.35 0000
7220.20 1000
7220.20 9010
7220.20 9090

Note: The HS Code is based on HS 2012 and HS 2017 at ten-digit level.

Stainless steel is essentially a low carbon steel (1.2% or less by weight) which contains chromium at 10.5% or more by weight. This addition of chromium gives the steel its unique stainless, corrosion resisting properties. The chromium content of the steel allows the formation of the corrosion-resisting chromium oxide film, which is slim as invisible, adherent on the steel surface. If damaged mechanically or chemically, this film is self-healing, providing that oxygen, even in very small amounts, is present. The

corrosion resistance and other useful properties of the steel are enhanced by increased chromium content and the addition of other elements such as Molybdenum, Nickel and Nitrogen.

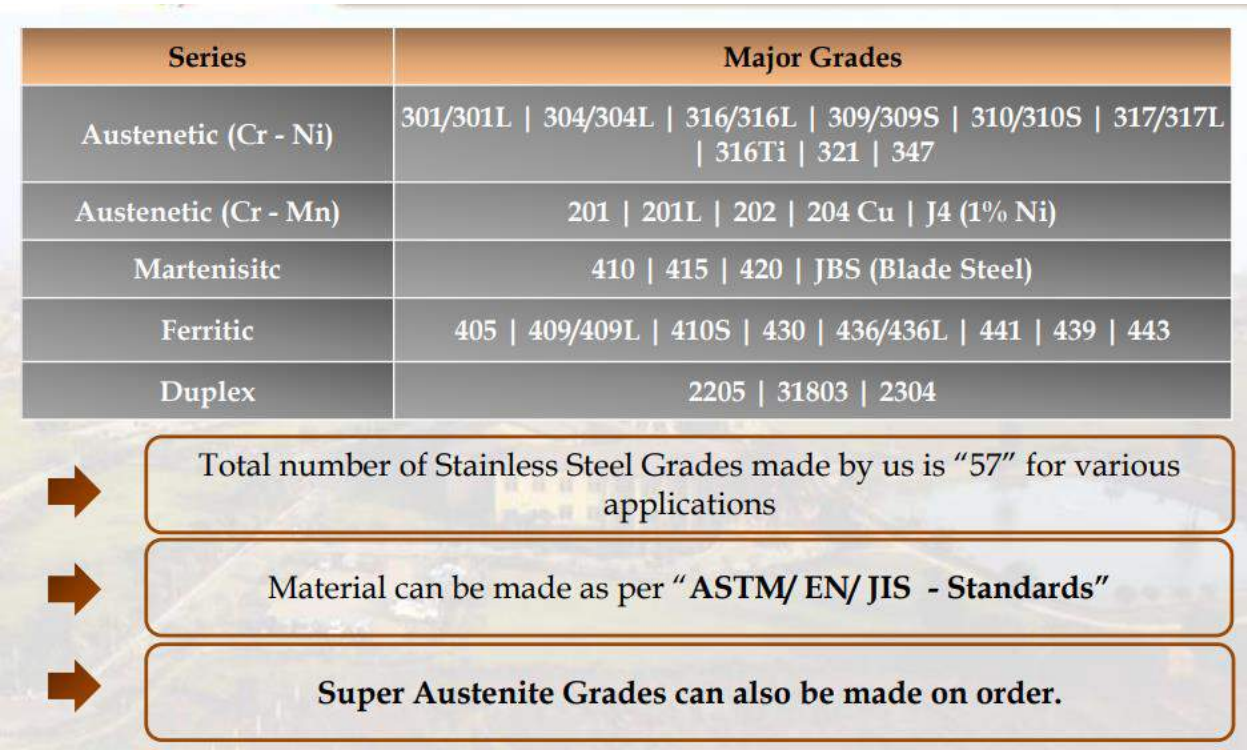
The Subject Merchandise is cold-rolled stainless steel in coils or in sheets containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements.

Domestically manufactured like products and imported products under investigation have no difference.

Please refer to image below, from Jindal Stainless Group retrieved from their brochure.

Plant	Product	Maximum Width	Thickness		Surface Finish
		(mm)	min(mm)	max(mm)	
Hisar	Hot Rolled Coil	1250	2.80	6.50	Black
	Plates	1250	4.00	50.00	No.1/1D
	HRAP Coil	1250	2.80	6.50	No.1/1D
	CRAP Coils	1250	0.40	4.00	2D/2B
	Precision Strips	435	0.05	0.50	2B/BA
	Razor Blade Steel	340	0.08	0.45	Hard
Indonesia	CRAP Coils	1250	0.25	3.50	2D/2B/BA
Odisha	Slabs	1650	160.00	250.00	Black
	Hot Rolled Coil	1650	2.00	12.70	Black
	Plates	1650	12.70	80.00	No.1/1D/2E
	HRAP Coil	1650	1.40	10.00	No.1/1D/2E
	CRAP Coils	1600	0.50	5.00	2D/2B

We can also cater Cold Rolled SS in wide variety of special finishes like –
No.4/ SB/ No.8/ Hairline/ Hammer-tone/ Macro-mat/ Moon-rock and other Embossed Finishes .



Series	Major Grades
Austenetic (Cr - Ni)	301/301L | 304/304L | 316/316L | 309/309S | 310/310S | 317/317L | 316Ti | 321 | 347
Austenetic (Cr - Mn)	201 | 201L | 202 | 204 Cu | J4 (1% Ni)
Martenisitc	410 | 415 | 420 | JBS (Blade Steel)
Ferritic	405 | 409/409L | 410S | 430 | 436/436L | 441 | 439 | 443
Duplex	2205 | 31803 | 2304

b. The usage/application of cold-rolled stainless steel of Subject Merchandise

The usage/application of cold rolled stainless steel include household utensils (sink, interior pipe, hot water system, bath tub, boiler and others), automotive parts, building materials, kitchenware & tableware (pots, cooker, spoons and knives) water tanks, interior exterior design equipment for architecture, heavy oil burner, household electricity equipment as gas heater, washing machine, boiler, the computer parts.

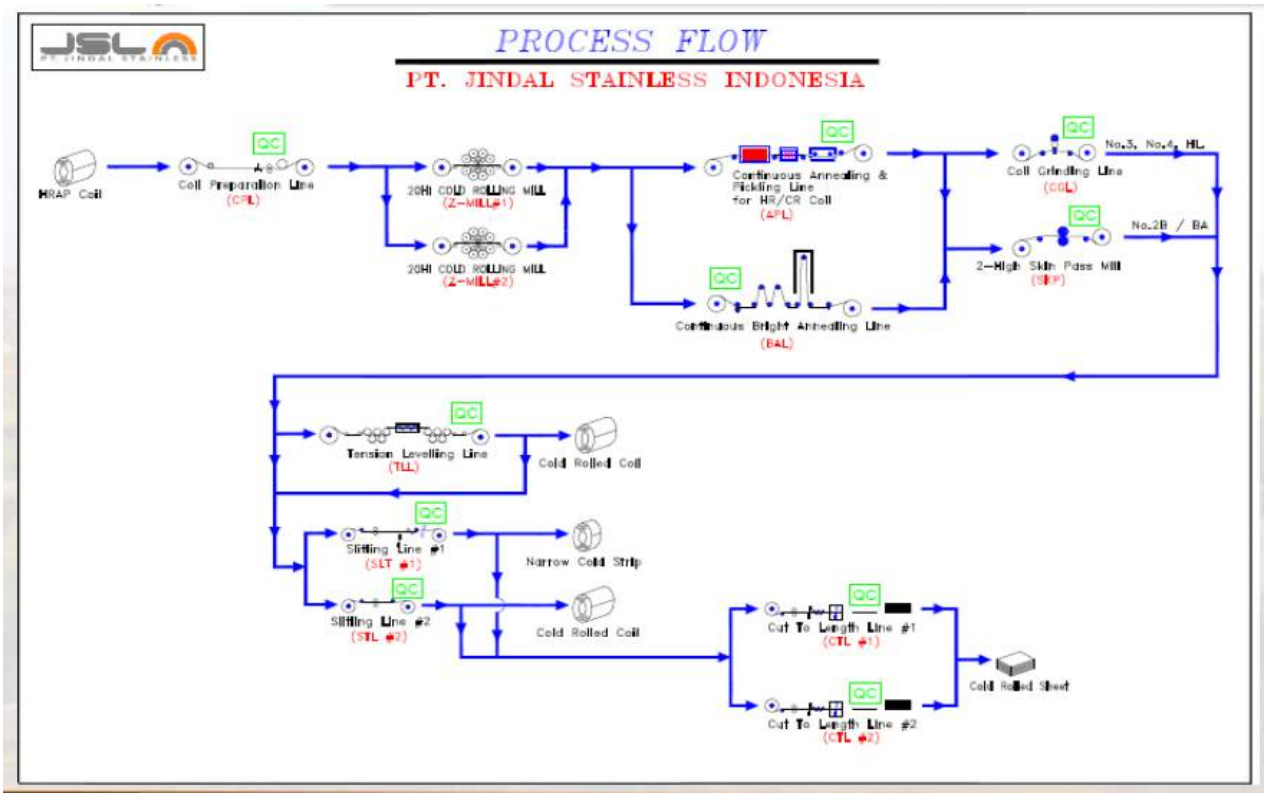
c. Brand names of Subject Merchandise

All Subject Merchandise is commercialised under the different producers' names (POSCO, TSINGSHAN, JINDAL) and their standards comes under different international standard organizations, the most common being:
EUROPEAN STANDARD (EN), ASME, ASTM, JIS & AISI.

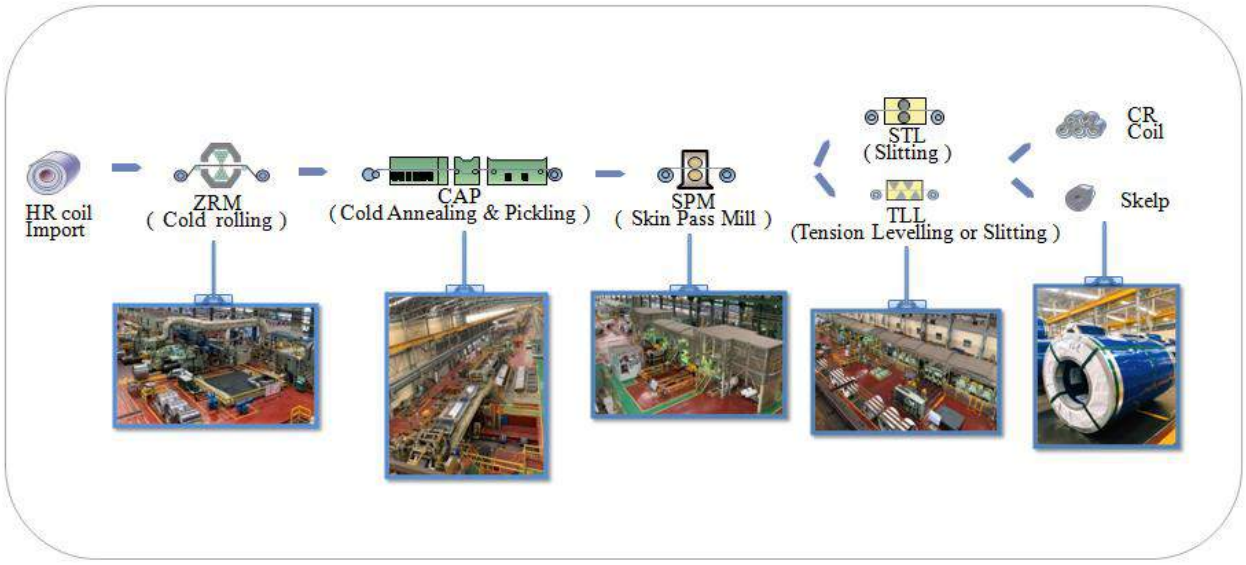
d. The production process including flow chart of the Subject Merchandise

Please refer to images below for the Production Process Flow.

From Jindal Stainless Indonesia, a manufacturer of Cold Rolled Stainless Steel in Indonesia and information obtained from their web page to show process flow for Cold Rolled products (link to their webpage: https://www.jindalstainless.com/pt-jindal-indonesia.php):



From Posco VST in Vietnam, the main manufacturer of Cold Rolled Stainless Steel in Vietnam and information obtained from their web page to show process flow for Cold Rolled products (link to webpage**:** http://www.poscovst.com.vn/Eng/ProductProcess2B.aspx):

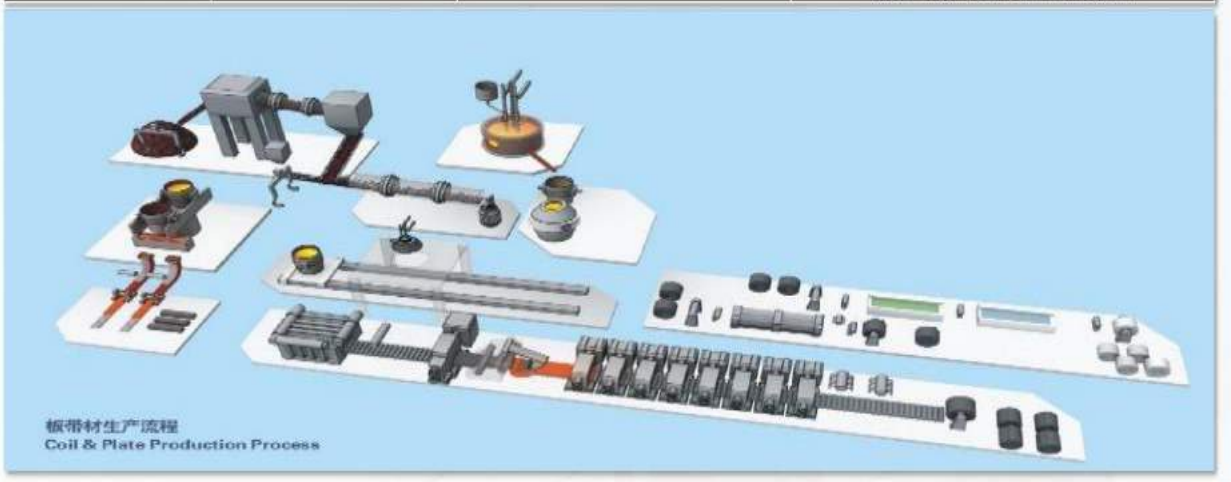


e. Specifications of the Subject Merchandise

From Tsingshan the main manufacturer of Cold Rolled Stainless Steel in Indonesia the following specifications for the Subject Merchandise:

Product		Steel Grade	Standard
Plank	Coil	Nickel austenite、Austenite、Molybdenum Austenite、Titanium Austenite、Heat resistant steel、Dual-phase steel	ASTM, EN , DIN, JIS, GB
Long log	Square billet	Austenite, Ferrite, Duplex	ASTM, EN, DIN, JIS, GB

Rolled	Steel Grade	Standard	Specification
Hot rolling -Black & NOT Coil	304/304L,316L	ASTM、EN, GB	Thickness:2.5~16mm(BLACK), 2.5mm~5mm(No.1) Width:1030/1210/1219/1240/1280/1500/1520/1550mm
Cold rolling-2B	304/304L,316L	ASTM、EN, GB	Thickness: 0.40~3.0mm Width: 1030/1210/1219/1240/1280mm



Characteristics and specifications of materials from POSCO Vietnam (link to webpage: http://www.poscovst.com.vn/Eng/Series300.aspx)

304/304L

*Type Austenite

Characteristics

304 : Most widely used steel type because of its good corrosion resistance, thermal resistance, strength at low-temperature and mechanical properties.

304L : Low-carbon 304 stainless steel. It is excellent in intergranular corrosion resistance.

Chemical compositions and physical properties

Designations		Chemical compositions (%)					Mechanical properties				Physical properties			
JIS	POSCO	C	Cr	Ni	Mo	Others	Yield Strength N/mm²	Tensile Strength N/mm²	Elongati %	Hardnes Hv	Specific Heat J/g℃	Specific Gravity	Thermal Expension Coefficient W/m-℃	Thermal Conductivity W/m-℃
304	304	≤0.08	18.0~20.0	8.00~10.5	-	-	≥205	≥520	≥40	≤200	0.50	7.93	17.3	16.3
304L	304L	≤0.03	18.0~20.0	9.00~13.0			≥175	≥480	≥40	≤200	0.50	7.93	17.3	16.3

316/316L

*Type Austenite

Characteristics

316 : With the addition of Mo in 304, 316 steel is superior in corrosion resistance, pitting resistance and high temperature strength.

316L : Low carbon 316 steel type. It has all the properties of 316 steel and has excellent inter-granular corrosion resistance.

Chemical compositions and physical properties

Designations		Chemical compositions (%)					Mechanical properties				Physical properties			
JIS	POSCO	C	Cr	Ni	Mo	Others	Yield Strength N/mm²	Tensile Strength N/mm²	Elongati %	Hardnes Hv	Specific Heat J/g℃	Specific Gravity	Thermal Expension Coefficient W/m-℃	Thermal Conductivity W/m-℃
316	316	≤0.08	16.0~18.0	10.00~14.0	2.00~3.0	-	≥205	≥520	≥40	≤200	0.50	7.98	15.9	16.3
316L	316L	≤0.03	16.0~18.0	12.00~15.0	2.00~3.0	-	≥175	≥480	≥40	≤200	0.50	7.98	15.9	16.3

The following table briefly illustrates the comparability of the product produced by BAHRU with those imported from the alleged countries and more details are contained the confidential version of this petition:

Table D-1.5: Product Comparability

Types of Product Produced By BAHRU	Imported Competitive Products (Subject Merchandise)	Identical Characteristics	Differences
304	J-304 , S30400, 304, X04Cr19Ni9,1.4301, 0Cr18Ni9, X5CrNi18-10, SUS304	CHEMISTRY, SURFACES APPEARANCES AND MECHANICAL PROPERTIES ARE THE SAME FOR EACH STEEL GRADE	NO DIFFERENCES FOR EACH STEEL GRADE
304L	J-304L, S30403,304L, 1.4307, X2CrNi 18-9, SUS304L		
316	J-316,S31600,316, X04Cr17Ni12Mo2, 1.4401, 0Cr17Ni12Mo2, X5CrNiMo17-12-2,SUS316		
316L	J-316L,S31603, 316L,X02Cr17Ni12Mo2,1.4404, 00Cr17Ni14Mo2, X2CrNiMo17-13-2,SUS316L		
301	J301,S30100,301,X10Cr17Ni7,1.4310,1Cr17Ni7,X12CrNi 17-7,SUS301		
409	J-409,S40900,409,1.4512,X2CrTi12,SUH409		
439	J-439,S43035,439,00Cr18Ti,X3CrTi17		
409Ni			
441	J-441, S43940,1.4509,X2CrTiNb18		
430	J-430, S43000, 430, X07Cr17, 1.4016, 1Cr17, X6Cr17, SUS430		
444	S44400, 444, 1.4521		
410/410S	J-410S,S41008,410S,1.4000,0Cr13,X6Cr-13,SUS403		
429			
321	J321,S32100,321,X04Cr18Ni10Ti,1.4541,0Cr18Ni10Ti,X6 CrNiTi18-10,SUS321,08Ch18N10T		
310S	J310S,S310008,310S,1.4845,0Cr25Ni20,X12CrNi25-21,SUS310S,20Ch23N18		
310	J310, S31000,310,X20Cr25Ni20, X15CrNiSi25-20,SUH310,20Ch25N20S2		
3CR12L	S41003, 1.4003		
200	200,201,J201,S20100,X10Cr17Mn6Ni4N20,X12CrMnNiN 17-7-5,SUS201		
436	J-436,S43600,436		

Product Comparability-Steel Types (Like Product & Subject Merchandise)

BAHRU STEEL CODE MAX CODE (COMMERCIAL APPLICATION)	BAHRU STEEL TYPE P6 CODE (PRODUCTION CODE)	STEEL TYPE SUBJECT MERCHANDISE
060	B201060	AISI 201/SUS 201/1.4372
110	B301110	AISI 301/SUS 301/X12CrNi17-7/1.4310
120	B304120	AISI 304/SUS 304/X5CrNi18-10/1.4301
150/151	B304150/B304151	AISI 304L/SUS304L/X2CrNi18-9/1.4307
350	B310350	AISI 310S/SUS310S/X12CrNi25-21/1.4845
240	B316240	AISI 316L/SUS316L/X2CrNiMo17-13-2/1.4404
315	B321315	AISI 321/SUS 321/1.4541
500	B430500	AISI 430/SUS430/X6Cr17/1.4016
420	B410420	AISI 410S/SUS410S/X6Cr13/1.4000
800	B409800	AISI 409/1.4512
515	B439515	AISI 439/1.4510
845	B441845	AISI 441/1.4509
555	B444555	AISI 444/1.4521
550	B436550	AISI 436/1.4526

Product Comparability – Surface Finish

BAHRU STEEL CODE MAX CODE (COMMERCIAL APPLICATION)	BAHRU STEEL TYPE P6 CODE (PRODUCTION CODE)	SURFACE DESCRIPTION SUBJECT MERCHANDISE	FINISH DESCRIPTION
12	2D	2D	Annealed and Pickled Material
22	2B	2B	Annealed. Pickled and Skin Passed Material
21	2BB	2BB	Bright Cold Rolled Annealed, Skin Passed Material
42-51-53	NO4, SB, HL	NO4, Scotch Brite, Hair Line	2B,2BB Finish Material Grinded with Different Grid

Product Comparability – Shape

BAHRU STEEL CODE	BAHRU STEEL TYPE	PRODUCT SHAPE	SHAPE DESCRIPTION
MAX CODE (COMMERCIAL APPLICATION)	P6 CODE (PRODUCTION CODE)	SUBJECT MERCHANDISE	
B	C &M	COIL & SLIT	MATERIAL IN STRIPS
C	S	SHEET	MATERIAL CUT TO DETERMINED LENGTH

Table D-1.6 shows the tariff classification and rate of duty applied to the Subject Merchandise.

Table D-1.6: Tariff Classification

HS Code	Product Description	MFN Rate (%)	ATIGA (%)
7219.31.0000	Flat-rolled products of stainless steel, of a width of 600mm or more not further worked than cold-rolled (cold-reduced) of a thickness of 4.75 mm or more	0	0
7219.32.0000	Flat-rolled products of stainless steel, of a width of 600mm or more not further worked than cold-rolled (cold-reduced) of a thickness of 3 mm or more but less than 4.75 mm	0	0
7219.33.0000	Flat-rolled products of stainless steel, of a width of 600mm or more not further worked than cold-rolled (cold-reduced) of a thickness exceeding 1 mm but less than 3 mm	0	0
7219.34.0000	Flat-rolled products of stainless steel, of a width of 600mm or more not further worked than cold-rolled (cold-reduced) of a thickness of 0.5 mm or more but not exceeding 1 mm	0	0
7219.35.0000	Flat-rolled products of stainless steel, of a width of 600mm or more not further worked than cold-rolled (cold-reduced) of a thickness of less than 0.5 mm	0	0
7220.20.1000	Flat-rolled products of stainless steel, of a width of less than 600mm not further worked than cold-rolled (cold-reduced) hoop and string, of a width not exceeding 400 mm	10	0
7220.20.9000	Other flat-rolled products of stainless steel, of a width of less than 600mm not further worked than cold-rolled (cold-reduced)	0	0

SECTION E
DUMPING

E-1 Source of Imports

Table below illustrates the list of source countries of imports into Malaysia based on Department of Statistics, Malaysia for Year 1 to POI.

TABLE E-1.1: Source of Imports (Year 1 - POI)

COUNTRY	Year 1 (2017)		Year 2 (2018)		POI (2019)		POI
	QTY (MT)	VAL (RM)	QTY (MT)	VAL (RM)	QTY (MT)	VAL (RM)	% of Total Import Volume
INDONESIA	1,719	16,167,795	13,358	121,513,088	48,424	410,682,843	46.3%
VIET NAM	945	9,941,102	6,089	55,143,835	9,249	68,392,579	8.8%
TOTAL ALLEGED	2,664	26,108,897	19,447	176,656,923	57,673	479,075,422	55.2%
AUSTRALIA	27	236,478	24	201,976	15	232,902	0.0%
BELGIUM	257	3,776,607	101	1,192,574	141	1,916,512	0.1%
BRAZIL	-	-	136	851,416	245	1,517,572	0.2%
CANADA	23	160,117	-	-	85	523,204	0.1%
CHINA	43,059	349,296,288	16,405	168,407,988	16,881	137,040,777	16.1%
DENMARK	20	462,202	-	-	2	166,515	0.0%
FINLAND	2,146	27,493,340	1,923	25,322,357	629	7,915,728	0.6%
FRANCE	119	960,389	576	1,546,173	194	1,333,479	0.2%
GERMANY	720	11,238,742	523	8,735,704	204	3,601,576	0.2%
HONG KONG	38	442,531	55	296,391	455	3,686,287	0.4%
INDIA	74	657,067	299	2,842,217	377	3,375,089	0.4%
ITALY	34	202,365	67	329,136	58	301,810	0.1%
JAPAN	5,782	74,230,508	6,899	91,483,120	7,500	101,171,617	7.2%
KOREA, REPUBLIC OF	8,259	77,424,735	9,792	92,531,356	4,781	46,690,342	4.6%
MEXICO	184	627,964	56	278,177	42	152,591	0.0%
NETHERLANDS	4 114	569,364	80	820,411	22	270,619	0.0%
POLAND	-	-	-	-	7	38,145	0.0%
SAUDI ARABIA	3	5,839	-	-	-	-	0.0%
SINGAPORE	322	3,895,237	1,029	8,885,473	1,317	11,316,021	1.3%
SLOVENIA	1	21,704	-	-	-	-	0.0%
SOUTH AFRICA	207	1,903,981	401	2,719,337	310	1,751,532	0.3%
SPAIN	8	108,481	-	-	59	394,432	0.1%
SWEDEN	254	4,197,784	506	9,785,895	226	3,714,227	0.2%
SWITZERLAND	3	52,355	2	43,557	13	300,377	0.0%

TAIWAN, PROVINCE OF CHINA	**14,116**	**128,075,103**	**15,741**	**151,598,815**	**11,616**	**104,429,450**	**11.1%**
THAILAND	**2,396**	**23,003,640**	**500**	**3,396,318**	**480**	**4,644,775**	**0.5%**
UNITED ARAB EMIRATES	**-**	**-**	**152**	**543,307**	**-**	**-**	**0.0%**
UNITED KINGDOM	**108**	**772,914**	**2**	**70,265**	**134**	**582,691**	**0.1%**
UNITED STATES	**3,594**	**44,525,348**	**1,391**	**18,987,455**	**1,015**	**21,997,048**	**1.0%**
HUNGARY	**-**	**-**	**2**	**11,114**	**-**	**-**	**0.0%**
ROMANIA	**-**	**-**	**219**	**4,175,018**	**60**	**1,032,941**	**0.1%**
NORWAY	**-**	**-**	**-**	**-**	**4**	**226,621**	**0.0%**
TOTAL NON-ALLEGED	**81,868**	**754,341,083**	**56,886**	**595,100,258**	**46,870**	**460,324,880**	**44.8%**
GRAND TOTAL	**84,532**	**780,449,980**	**76,332**	**771,757,181**	**104,543**	**939,400,302**	**100.0%**

Source: Department of Statistics (DOS), Malaysia

To the best of BAHRU's knowledge, the imported Subject Merchandise originate from the alleged countries based on the official DOS statistics.

No action is sought against countries that individually have less than 3% of the total imports.

The import statistics are attached in the confidential version of this submission.

TABLE E-1.4: PRODUCERS/EXPORTERS OF SUBJECT MERCHANDISE FROM THE ALLEGED COUNTRIES

Country	Company Name (English)	English Address	Contact Details
INDONESIA			
Indonesia	Tsingshan Group	Main Office: Wisma Mulia 41st Fl. Suite 4101, Jalan Jendral Gatot Subroto No. 42, Jakarta 12710 Mill: Indonesia Morowali Industrial Park, Jalan Trans Sulawesi Desa Fatufia, Bahodopi sub-district, Morowali District, Central Sulawesi 94974	Email: rszpc@ynqsgt.com
Indonesia	PT Jindal Stainless Indonesia	Kawasan Industri Maspion V, Desa Sukomulyo, Manyar Gresik 61151, Jawa Timur, Indonesia	T: +6231-3959565 Fax: +6231-3959566 Email: aditya@jindalstainless.co.id
Indonesia	PT IMR ARC Steel Indonesia	Ds. Randuhardjo, Dusun Inojosari Rejo, Randuharjo, Mojokerto, East Java 61384	T: +6231-6820101 Email: enquiries@imr-resources.com
Indonesia	PT Steel Pipe Industry of Indonesia (SPINDO)	Jl. Kalibutuh No. 191, Tembok Dukuh, Kec. Bubutan, Kota SBY, Jawa Timur 60713	T: +6231-5320921 Email: marketing@spindo.co.id Mr. Tedja Sukmana Hudianto (Vice President Director) T: +6281-1306059
Vietnam			
Vietnam	Posco VST Co. Ltd	319B St, Nhon Trach I IP, Phuoc Thien Commune, Nhon Trach Dist, Dong Nai Province, Vietnam	Email: tranhuynb92@gmail.com

Vietnam	TVL Joint Stock Company (Tax code: 0105189320)	Office: 14B, ngõ 6, Van Phuc Street, Kim Ma Ward, Ba Dinh dist., Ha Noi Factory: Yen Phu Hamlet, Giai Pham Commune, Yen My District Hung Yen Province Warehouse in Ho Chi Minh, Vietnam: 20a Nguyen Van Bua Street, Hoc Mon Province	T: +84 (0) 24 6273 2699 Sales Manager: Mr. Nam: T: +84989 219 568 Email: thanhnaminox@gmail.com
Vietnam	Sunny Viet Nam Technology Company Limited (Tax code: 1101832969)	Street No. 2, Lien Hung Industrial Zone, Binh Tien 2, Duc Hoa Ha, Duc Hoa, Long An, Vietnam	T: 0084-981582928 T: 0086-13306632852 Email: info@yaoyigroup.com

TABLE E-1.5: IMPORTERS OF SUBJECT MERCHANDISE

COMPANY NAME	ADDRESS	CONTACT DETAILS
Asinox Kitchenware	1728 Lrg Industri 3 Kaw Perindustrian Bukit Panchor, Nibong Tebal 14300 Pulau Pinang, Malaysia	+60125131888 rexlim@asinox.my
JKY Sinks	No. 19, Jalan Kumunting 2, 48300 BKT Beruntung, Serendah, Selangor, Malaysia	60-13-718 1888 office@malaysiasink.com
Berjaya Steel Products Sdn. Bhd.	PT 16736, Jalan Permata 1, Arab Malaysian Industrial Park, Negeri Sembilan, Malaysia	+60391301213 enquiry@ckeholdings
Central Aluminum Manufactory Sdn. Bhd.	Batu 12, Jalan Hutan Melintang, 36400 Hutan melintang, Perak, Malaysia	+6056411046 enquiry@central-aluminium.com.my
Public Metal (M) Sdn. Bhd.	Lot 1191, Batu lapan, Jalan Hutan melintang, Teluk Intan, Perak, 36000	+6056411655 myhorsebrand@yahoo.com
Ruby Steel Metal	Railway Wharf, Jalan Maharaja Lela, 36000, Teluk intan, Perak, Malaysia	+6056224981 info@rubysteelkitchen.com
Chang Hsin Industry (M) Sdn. Bhd.	Plot 72, Lorong Perusahaan 2, Kulim Industrial Estate, 09000 Kulim, Kedah	+60124842550 info@changhsin.com.my

Evergrow	47, Jalan Taming Dua, Taman Taming Jaya, 43300 Seri Kembangan, Selangor, Malaysia	+60389619463 info@ever-grow.com.my
Nippon Steel Stainless Services (M) Sdn Bhd	Plot 13-C, Lorong Perusahaan Bukit Minyak 7, Kawasan Perusahaan Bukit Minyak, Bukit Mertajam, Penang	+6045073823 tando@nims.com.my
MSM Equiment	Lot 1801, Jalan KPB 1, Kawasan Perindustrian Kampung Baru Balakong, 43300 Sri Kembangan, Selangor, Malaysia	+60389612181 ponnarasi@msmmgroup.com
Top Thermo Mfg. (M) Sdn. Bhd.	No 1&2, Jalan TP 3, Taman Perindustrian Sime UEP, 47620 Subang Jaya, Selangor	+60380216626 itoh@thermos.com.my
Fetta Auto	No.7002-H, Jalan PBR 48, Kawasan Perindustrian Bukit Rambai, 75260 Melaka, Malaysia	+6063518062 http://www.marcomy.com/
Walsin Precision Technology Sdn Bhd	2115-1, Jalan Pak 2/3 Kawasan Perindustrian Air keroh Fasa IV, Air Keroh, Taman Bukit Melaka, 75450, Melaka	+602310888 Goh_bee_eng@walsin.com.my
TSA	Lot 3998, Jalan 6/2A, Taman Industri Selesa Jaya, 43300 Balakong, Selangor, Malaysia	+60389622888 kfchew@tsa.com.my
Syarikat Jaya Tugas Industri Sdn Bhd	2759 Mukim 1, Lorong Perusahaan 8, Kawasan Perusahaan Prai 2, Perai, 13600, Perai, Pulau Pinang	+6043989282 wendy@stainless-steel-pipe.com
Pantech	PTD 204334, jalan Platinum Utama, Kawasan perindustrian Pasir Gudang, Zone 12B, 81700 Pasir Gudang, Johor, Malaysia	+6072597979 Alfred@pantechcorp.com
Prestar	Lot 1298 Rawang Industrial Estate, 16 1/2 Miles, Jalan Ipoh, 48000 Rawang, Selangor, Malaysia	+6060925200 info@prestar.com.my
Superinox/Tatt Giap	Prai industrial Estate IV Prai, lorong Perusahaan Maju 6, Kaw. Perindustrian Prai, 13600 Perai, Pulau Pinang	+6045021155 http://www.tattgiap.com.my/
PTM Steel	Lot 3707, Jalan 7/5, Taman Industri Selesa Jaya, 43300, Balakong, Selangor	+60389615555 kohyh@kssc.com.my
Chainchon Industrial	Lot 1871, Jalan Balakong Bukit 13, Kampung baru Balakong, Seri Kembangan, Selangor, 43300	+6038617963 bong@chainchon.com.my

E-2 Export Price

Import Statistics are based on official information obtained from the Department of Statistics, Malaysia and is in Ringgit Malaysia in CIF terms. All exchange rates used are based on Bank Negara's published rates, except where the source of the exchange rate is specifically stated.

Table E-2.1: Export Price (Without Adjustments)

Country	HS Codes	Export price (CIF)
Indonesia	7219.31.00 00 7219.32.00 00 7219.33.00 00 7219.34.00 00 7219.35.00 00 7220.20.10 00 7220.20.90 00	RM ****/MT
Vietnam	7219.31.00 00 7219.32.00 00 7219.33.00 00 7219.34.00 00 7219.35.00 00 7220.20.10 00 7220.20.90 00	RM ****/MT

E-3 Selling Price (Normal Value) in the Exporter's Domestic Market

Table E-3.1: Selling Price (Normal Value)

COUNTRY	NORMAL VALUE
VIETNAM	RM ****/MT

Table E-3.1 is the value of the domestic selling prices in each of the affected countries for the POI.

E-4 Estimate of Normal Value Using Another Method

As it is not possible to obtain full information in relation to Indonesia's domestic price or normal value of the goods, the Petitioner has constructed the normal value for Indonesia.

The appendices for detailed calculations of the constructed normal value is in the confidential version of this petition.

Table E-4.1: Estimated Normal Value Through Construction

COUNTRY	NORMAL VALUE
INDONESIA	RM ***/MT

E-5 Adjustments

EXPORT PRICE TO EX-MILL PRICE ADJUSTMENTS

Adjustments are made to ensure comparison of prices are made at the same level of trade i.e. Ex-mill level. Adjustments have been made by deducting the following items contained in the confidential version of this petition.

Export Price – After Adjustments

COUNTRY	EXPORT PRICE
INDONESIA	RM ***/MT
VIETNAM	RM ***/MT

E-7 Dumping Margin

The dumping margin for each alleged country is calculated based on the following formula:

$$\frac{\text{Normal value - Export price}}{\text{Export price}} \text{ X } 100\%$$

The dumping margin is determined using Normal Value and Export Price as determined above for each of the alleged countries. The following table provides the dumping margin of the alleged countries based on the above formula:

COUNTRY	AVERAGE NORMAL VALUE EX WORKS (RM/MT) (1)	EXPORT PRICE EX WORKS (RM/MT) (2)	DUMPING MARGIN (%)
INDONESIA	****	****	29.83
VIETNAM	****	****	22.43

The Dumping Margins of the alleged countries are above the *de minimis* value of 2%.

SECTION F
MATERIAL INJURY (OPERATION)

F-1 Production and Capacity

The table below shows BAHRU's production capacity, actual production and capacity utilisation of the Like Products.

Table F-1.1: Capacity Utilisation (POID)

Description	YEAR 1 (MT)	YEAR 2 (MT)	POI (MT)
A. Production capacity	100	100	100
B. Actual production	100	122	107
C. Capacity utilisation (%) (B/A) x 100	100	122	107

Source: BAHRU

Bahru's production of PUI increased from Year 1 at *** MT to *** MT in Year 2, an increase by ***% but decreased by *** % during POI to *** MT. In terms of capacity utilization, it increased from *** % to *** % but dropped to *** % during POI.

Bahru suffered material injury in both production and capacity utilization during POI compared to Year 2 as the volumes of dumped imports increased from the alleged countries.

Capacity Determination of BAHRU

Production capacity of BAHRU is referred in terms of cold rolling capacity of the company or Sendzimir Final production capacity in metric Tons (ZMf) (ZM1 + ZM2).

The sendzimir is our "bottleneck" and then the capacity of the factory is directly related with the capacity of sendzimir.

The productivity of the sendzimir is not a fixed value, it can vary according the order books, the width, the entry thickness, total reduction, exit thickness, weight of the coil, operator skills.

BAHRU monitors all the operations and times of the sendzimir mill in order to get always the best productivity achievable. The productivity is measured in Tn/h.

Then according to historical data and the main variables thickness/width our optimum productivity is different and can be summarized in the next tables. (ZM1 and ZM2) - For austenitic material.

ZM1	Gauge		Tn/H		
Gauge	Min	Max	1000mm	1220mm	1524mm
0.5	0.451	0.55	5.92	7.22	9.02
0.6	0.551	0.65	7.63	9.31	11.63
0.7	0.651	0.75	9.20	11.23	14.03
0.8	0.751	0.85	12.36	13.18	16.46
0.9	0.851	0.95	14.52	17.71	19.88
1	0.951	1.1	15.08	21.97	21.23
1.2	1.11	1.35	18.67	20.55	21.84
1.5	1.351	1.75	19.86	23.02	25.03
2	1.751	2.25	23.25	28.16	30.96
2.5	2.251	2.75	23.37	28.73	30.62
3	2.751	3.5	26.70	30.09	31.62
4	3.51	4.5	25.78	31.02	34.16
5	4.51	5.5	27.75	36.57	38.17
6	5.51	6.5	36.87	39.87	44.53

ZM2	Gauge		Tn/H	
Gauge	Min	Max	1000mm	1220mm
0.3	0.251	0.35	5.97	8.13
0.4	0.351	0.45	5.84	8.01
0.5	0.451	0.55	7.79	9.69
0.6	0.551	0.65	9.27	11.48
0.7	0.651	0.75	11.62	14.48
0.8	0.751	0.85	13.34	15.69
0.9	0.851	0.95	15.20	17.53
1	0.951	1.1	15.80	18.46
1.2	1.11	1.35	17.35	18.88
1.5	1.351	1.75	21.54	23.08
2	1.751	2.25	23.41	27.39

Every month, according to the order book mix distribution and in base of the optimum conditions BAHRU is able to say what the capacity of ZM1 + ZM2 is.

The capacity is calculated in base of

- 24 hours/day
- 365 theoretical working days/ year,
- 90 % of running time (10% maintenance + process changes)

The capacity is summarized in the next table. (It is different every month because the order book every month is different).

In the next table, the capacity is related with the ZM1 + ZM2 P mix theoretical capacity (MT) rolled.

For the period of investigation, Jan 1st, 2019 to December 31st, 2019, the capacity is calculated by the sum of the quantities from Jan 2019 (*** MT) to December 2019 (*** MT) which is *** MT. That is the theoretical capacity of ZM1 + ZM2 in the period of investigation.

		Occupancy 2019											
		January	February	March	April	May	June	July	August	September	October	November	December
ZM1	Orders (Mtn)	9,917	8,936	13,031	11,649	17,418	14,712	13,221	12,831	11,359	12,963	12,347	11,493
	TB rolled (Mtn)	11,405	10,276	14,985	13,397	20,031	16,919	15,204	14,756	13,063	14,908	14,199	13,217
	Occupancy (%)	64.81%	64.00%	82.51%	79.26%	111.84%	96.72%	84.64%	84.89%	75.38%	84.84%	83.90%	76.65%
	Productivity Pmix Tn/h	26.28	26.55	27.12	26.08	26.75	26.12	26.83	25.96	26.74	26.24	26.12	25.75
ZM2	Orders (Mtn)	7,295	5,879	5,268	5,587	4,613	6,787	5,263	5,418	4,910	3,661	4,693	4,069
	TB rolled (Mtn)	8,389	6,761	6,058	6,425	5,305	7,805	6,053	6,231	5,647	4,210	5,397	4,679
	Occupancy (%)	73.12%	70.37%	58.68%	66.74%	53.12%	71.90%	57.10%	61.43%	56.35%	40.27%	55.44%	41.99%
	Productivity Pmix Tn/h	17.13	15.89	15.42	14.86	14.91	16.21	15.83	15.15	15.46	15.61	15.02	16.64
ZM1 + ZM2	Orders accepted (Mtn)	17,212	14,815	18,298	17,236	22,031	21,499	18,484	18,250	16,270	16,624	17,040	15,562
ZM1 + ZM2	Tb rolled ZM	19,794	17,037	21,043	19,822	25,336	24,724	21,257	20,987	18,710	19,117	19,596	17,896
ZM1 + ZM2	Excess Capacity for acceptance 2B Orders (Mtn)	8,067	7,502	6,472	5,832	2,227	3,150	6,354	5,687	7,513	7,746	6,142	9,122
	Cold Rolled orders capacity (Mtn)	25,279	22,316	24,770	23,069	24,259	24,649	24,838	23,937	23,783	24,370	23,182	24,683
ZM1+ ZM2	P mix Theoretical Capacity (Mtn) rolled	**29,071**	**25,664**	**28,486**	**26,529**	**27,897**	**28,347**	**28,564**	**27,527**	**27,350**	**28,025**	**26,659**	**28,386**

BAHRU's Plans for Increasing Capacity

At this juncture, BAHRU has no plans of increasing its capacity as originally planned as the dumped imports are stunting BAHRU from moving forward. Having spent a great amount of investment in Malaysia, it has since been badly affected by the influx of dumped and cheap imports to Malaysia and has prevented any further planned investment as BAHRU is not getting the expected returns. Its holding company, Acerinox's initial aim was to invest into Malaysia and boost the local economy, increase local employment and wages. However, this investment could not be further expanded as explained, because of the continuous dumping activities by various foreign producers and this time around the dumped imports in the Malaysian market by producers/exporters from the alleged countries.

F-2 Inventories

Table F-2.1 shows the volume of inventories of BAHRU.

Table F-2.1: Inventories – POID

Description		YEAR 1 (MT)	YEAR 2 (MT)	POI (MT)
Opening inventories	**(A)**	**100**	**125**	**117**
Add: Purchases	**(B)**			
Add: Production	**(C)**	**100**	**122**	**108**
Less: Sales	**(D)**	**(100)**	**(124)**	**(110)**
Captive Use (explain)	**(E)**			
Other Movements	**(F)**	**(100)**	**(149)**	**(84)**
Closing inventories	**(G)**	**100**	**94**	**81**

BAHRU had to manage its inventories to prevent further material injury through high holding stock costs. The inventories decreased throughout the POID from **** MT to **** MT to **** MT. The inventories decreased by ****% from Year 1 to Year 2 and further decreased by ****% during POI compared to Year 2.

F-3 Employment and Wages

Table F-3.1 it shows the number of people employed in BAHRU.

Table F-3.1: Employment – POID

Description	YEAR 1	YEAR 2	POI
A. Personnel employed in the production process of the Like Product	100	100	99
B. Personnel employed in sales, general and administration of the Like Product	100	97	108
C. Total personnel employed in the Like Product(A + B)	100	99	101

The total personnel employed in the production of Like Product increased marginally from **** to **** but decreased to **** workers to reduce costs as BAHRU was suffering in terms of profitability. It has to be highlighted in terms of employment, ****% of the employees are Malaysians.

BAHRU suffered in terms material injury in terms of employment.

Table F-3.2 shows the wages of the total personnel employed in producing the Like Products.

Table F-3.2: Wages – POID

Description	YEAR 1 (RM)	YEAR 2 (RM)	POI (RM)
A. Wages	100	106	106
B. Cost of social benefits	100	116	126
C. Total labour costs (A+B)	100	107	108

Source: BAHRU

Bahru's total labour costs increased from RM**** RM**** in Year 2 to marginal increase during POI at RM****. BAHRU believes in long-term investment in its employees and does not introduce basic pay reduction, but their salaries, especially the production side is related to production output and their take home pay in the production will be affected with lower production.

Currently BAHRU has to absorb the losses as it is unable to sell at fair prices in the Malaysian market due to the presence of the dumped imports.

F-4 Productivity

Table F-4.1 shows the productivity of BAHRU.

TABLE F-4.1: PRODUCTIVITY - POID

Description	YEAR 1	YEAR 2	POI
A. Production (MT)	100	122	107
B. Machines Running (Hours)	100	118	99
C. Productivity (A/B) (MT/Hour)	100	103	108

Source: BAHRU

Despite facing decreased production and capacity utilization during POI, BAHRU continually improved its productivity in terms of MT/hour output throughout POID. The

productivity improved from **** MT/hour in Year 1 to **** MT/hour in Year 2 to **** MT/hour, an increase by ****% from Year 1 to Year 2 and by ****% from Year 2 to POI and overall during POID increased by ****%.

Nevertheless, BAHRU has been prevented from being able to benefit from such productivity improvement as it is unable to sell at fair prices in the Malaysian market.

SECTION G
MATERIAL INJURY (SALES)

BAHRU sells to end users, distributors and retailers in Malaysia. The basis of categorization is based on BAHRU's understanding of the nature of the customer's business (e.g., an end user consumes the stainless steel, a distributor sells to retailers and retailers sell to end users).

The terms of sale and pricing policies do not differ between classes of customers. The terms of sale and pricing policies depend on each customer's individual business negotiations with BAHRU. Finally, all sales in Malaysia take place in the manner described below.

BAHRU follows a standard door to door sales procedure which is applied to all customers (end-users, distributors, related companies. etc).

BAHRU sells part of its products to ******, a related company that has one Service Centre and one warehouse.

DOMESTIC SALES PRICING FLOW CHART

CUSTOMER INQUIRY RECEPTION & CHECK UP (1-2 Hours)

⇩

QUOTATION BY SALESMAN (1 hour)

(Should counterbid be issued by customer the Domestic Market Manager will reply within 1 day)

⇩

CUSTOMER ACCEPTANCE & ISSUING PO (2 days)

⇩

ISSUING THE SALES CONTRACT BY SALES DEPARTMENT (1 hour)

G-1 Sales Turnover

Generally, sales turnover is a good indication of the company's ability to sell its goods and the higher the sales turnover, the better it is. However, in a situation where dumping is always prevailing over the benefit of sales turnover in terms of total value or volume, it has to be read together with at what price these sales were made especially the domestic sales.

In the case of BAHRU, it was able to make sales at about the same level in Year 1 and Year 2 but this decreased significantly during POI and prices continued to decrease during POID. As will be shown in this Petition, BAHRU is forced to sell the PUI at lower

prices. Otherwise, BAHRU would have unsold PUI, resulting in high inventory costs and lower sales turnover and thereby affecting its cash flow. In this situation, if sales were not made to meet and compete with the selling price of the dumped imports, BAHRU would have suffered greater negative effect – material injury.

The following data shows the sales turnover situation of BAHRU and how the increasing import volume of the dumped imports had negatively affected BAHRU.

Table G-1.1 shows the details of total sales turnover (after all discounts and free of taxes) for BAHRU.

TABLE G-1.1 (a): SALES TURNOVER – POID – ALL SALES

DESCRIPTION	2017	2018	2019
	VALUE (RM)	VALUE (RM)	VALUE (RM)
Total turnover (all products)	100	124	114
Turnover of Like product (produced)	100	126	106
Turnover of product (purchased)	-	-	-
Other product	100	116	156

Source: BAHRU

The above table provides the total turnover of BAHRU for all products. The tables below are derived to show the sales for the Like Products and sales made to unrelated parties and sales made to related parties.

TABLE G-1.1 (b): SALES TURNOVER - LIKE PRODUCT (Domestic and Export Sales)

	2017		2018		2019	
	MT	VALUE (RM)	MT	VALUE (RM)	MT	VALUE (RM)
Sales (Like Products)	100	100	124	126	110	106

Source: BAHRU.
Note : Excluding Scrap sales , Return of Sales and Customer Rebate

Total sales increased from Year 1 to Year 2 from **** MT to **** MT but decreased to **** MT during POI.

G-2 Sales Volume and Value

Table G-2.1, shows information on Net Volumes (after all returns and cancelled sales) and Values (after all discounts and free of taxes) of:

TABLE G-2.1 (a): SALES OF PRODUCT (UNRELATED PARTIES) – LIKE PRODUCTS

	2017		2018		2019	
SALES TO UNRELATED PARTIES	**MT**	**VALUE (RM)**	**MT**	**VALUE (RM)**	**MT**	**VALUE (RM)**
Sales in Malaysia	100	100	95	93	81	76
Sales in other countries	100	100	149	155	127	123
Total Sales	100	100	136	140	116	111

Source: BAHRU
Note: Excluding Scrap sales, Return of Sales and Customer Rebate

The domestic sales to unrelated parties decreased throughout POID. In Year 1 the volume of sales was at **** MT, decreased to **** MT and further decreased to **** MT. This decrease in sales volume occurred despite BAHRU's decreasing average unit price throughout POI. BAHRU's average unit sales price decreased from RM ****/MT in Year 1 to RM ****/MT in Year 2 and further dropped sharply during POI to RM ****/MT.

The sales to related parties are provided below:

TABLE G-2.1 (b): SALES OF PRODUCT TO RELATED PARTIES– LIKE PRODUCTS

	2017		2018		2019	
SALES TO RELATED PARTIES	**MT**	**VALUE (RM)**	**MT**	**VALUE (RM)**	**MT**	**VALUE (RM)**
Sales in Malaysia	100	100	137	132	120	108
Sales in other countries	100	100	66	68	83	82
Total Sales	100	100	80	80	91	87

Source: BAHRU
Note: Excluding Scrap sales, Return of Sales and Customer Rebate

The domestic sales volume increased from **** MT to **** MT from Year 1 to Year 2 but decreased to **** MT during POI. The related sales unit price was much lower than unrelated sales with the price difference of RM***/MT, RM***/MT and RM***/MT for Year 1, Year 2 and POI respectively.

Table G-2.2 shows information on transaction-by-transaction basis relating to sales of product by BAHRU to unrelated customers in Malaysian market during the period of investigation.

Table G-2.2: Sales Listing

Field name	Field description	Explanation
NO	Sequence number	Identify each transaction, or line item, in the sales listing, by sequence number (i.e. the first transaction is "1", the second is "2", and so on)
CODE	Company internal coding system	Indicate the code used for the product in your records
INV-NO	Invoice number	Indicate the invoice number
INV-DT	Invoice date	Indicate the invoice date of the transaction
CUST	Customer number	Indicate the customer number used in your records
CUST-NAME	Customer name	Indicate the customer name used in your records
LEV	Customer level of trade	Use code "1" for end-users, "2" for retailers, "3" for distributors, "4" for others *(specify the level)*
PDT-GRADE	Product grade	Provide grade of product produced by the company
QTY	Quantity of sales	Provide quantity (specify the unit of measurement) of product sold
GR-VAL	Gross invoice value	Provide the gross invoice value, net of taxes, of product sold
DISC	Discounts	Indicate the discounts deducted on the invoice
NT-VAL	Net invoice value	Provide the net invoice value after the discounts
PAY-TM	Payment terms	Indicate the payment terms agreed with the customer (e.g. 30, 60, 90 days, etc.)
DEL-TM	Delivery terms	Indicate the agreed terms of delivery (e.g. FOB, C&F, CIF, etc.)
DEL-CS	Delivery costs	Indicate the transport costs either as actual costs or as a function of the invoice value (%) or volume (costs per unit)
COMM	Commissions	Indicate any cash discounts, volume discounts, commissions, etc.

The full details of the above information are contained in the confidential version of the petition.

Table G-2.3, shows the credit notes relating to sales of product (produced and sold by BAHRU) to unrelated customers on Malaysian market during period of investigation on transaction-by-transaction basis.

Table G-2.3: Credit Notes

Field name	Field description	Explanation
NO	Sequence number	Identify each transaction, or line item, in the sales listing, by sequence number (i.e. the first transaction is "1", the second is "2", and so on)
CODE	Company internal coding system	As in Table G-2.2: Sales Listing
CRD-NO	Credit note number	Indicate the number of the credit note
CRD-DT	Date of credit note	Indicate the date of the credit note issued
INV-NO	Relating invoice number	Ensure that this corresponds where appropriate to the number given in Table G-2.2: Sales Listing
CUST	Customer number	As in Table G-2.2: Sales Listing
CUST-NAME	Customer name	As in Table G-2.2: Sales Listing
LEV	Customer level of trade	As in Table G-2.2: Sales Listing
PDT-GRADE	Product grade	As in Table G-2.2: Sales Listing
QTY	Quantity of sales	Provide quantity (specify the unit of measurement) of product credited
VAL	Value credited	Provide the value of product credited

Refer to the confidential version of this petition for full details of the above information.

G-3 Sales Price Determination

The sales negotiation process and price determination follow a standard procedure which is applied to all customers without distinction. It starts with the customers sending an enquiry to our sales team. This team will check that the enquiry satisfies all the requirements and that pricing is based on prices as monitored by the Commercial Department.

Should the customers require further negotiations, the sales people will escalate the issue to the Commercial Director who, based on written explanation from the customer on their reasons to negotiate a better price, will make a decision. During the negotiation process, the customers normally quote prices from the alleged countries to force BAHRU to lower its selling price.

After the customer gets confirmation from BAHRU's sales team, he will send a purchase contract duly signed along with the company stamp. The sales team will issue a sales contract signed by the relevant salesman accepting the order.

Our sales policy prevents the customer to make any adjustment or change the prices after the purchase contract is accepted. Should the customer request for any after-sales adjustment, the customer must send the same in writing with an explanation to our Commercial Director who will study and reply to it.

When the material is allocated, the sales team will inform the customer and release the material to them. When the goods are transported out of BAHRU's premises, the delivery note is created by the system and the invoices and relevant documentation is issued by our Documentation team.

DOMESTIC SALES PRICING FLOW CHART

CUSTOMER INQUIRY RECEPTION & CHECK UP (1-2 Hours)

QUOTATION BY SALESMAN (1 hour)

(Should counterbid is issued by customer the CD will reply within 1 day)

CUSTOMER ACCEPTANCE & ISSUING PO (2 days)

ISSUING THE SALES CONTRACT BY SALES DEPARTMENT (1 hour)

During the price negotiation stage, prices from the alleged countries are mentioned and BAHRU has to match the lower dumped prices from the alleged countries in order to sell its products.

BAHRU did not purchase any of the Like Product/Subject Merchandise during the POI.

BAHRU suffered material injury in terms of sales turnover during POI both in terms of value and volume.

G-4 Cost to Make and Sell

The information shown in Table G-4.1-1 of the confidential version of the petition shows the average unit cost to make and sell of the Like Products for each year during POID.

Table G-4-1-1: Summary Average Cost to Make & Sell: Year 1 to POI

	Year 1	Year 2	POI
Unit Cost to make and sell – (RM/MT)	100	99	96

Through its continuous cost savings efforts, BAHRU was able to ensure that the unit cost to make and sell (CTMS) decreased throughout the POID from RM***/MT to RM***/MT to RM***/MT, a decrease by ***% from Year 1 to Year 2 and further decreased by ***% from Year 2 to POI. Overall, the CTMS reduced by ***% during POID.

All these efforts are to no avail as BAHRU is unable to enjoy the fruits of reduced CTMS, as BAHRU's selling price is affected by the presence of the dumped imports from the alleged countries. BAHRU had to continuously reduce its selling price, to a point where it is below its CTMS in view of significant price depression and price suppression.

SECTION H
MATERIAL INJURY (PROFITABILITY, RETURN AND CASH FLOW)

H-1 Profitability

Table H-1.1(a) and H-1.1 (b) shows the profitability for sales on all products to all customers and profitability of the Like Products to all customers, respectively.

The following tables show the profitability of BAHRU based on sales to unrelated parties and related parties, respectively.

TABLE H-1.1(a): PROFITABILITY OF LIKE PRODUCTS FOR SALES TRANSACTIONS TO UNRELATED PARTIES – POID

LIKE PRODUCTS	YEAR 1			YEAR 2		
	Domestic (RM)	Export (RM)	Total (RM)	Domestic (RM)	Export (RM)	Total (RM)
Net Profit/Loss	(100)	(100)	(100)	(76)	(121)	(111)
Profit/Loss Margin	-100	-100	-100	-82	-78	-80

POI		
Domestic (RM)	Export (RM)	Total (RM)
(84)	(123)	(114)
-110	-99	-103

Just as BAHRU was recovering from dumped imports from PRC, Korea, Chinese Taipei (Taiwan) and Thailand through the imposition of the AD measure put in place in 2018, where the imports from these countries dropped, imports from the alleged countries started to increase at unprecedented levels through unfair dumping. The imports from the alleged countries gained market share quickly during POI and prevented BAHRU from achieving profitability due to enormous price pressure.

BAHRU recorded losses in domestic sales at RM **** in Year 1 and RM **** in Year 2 but this deteriorated to higher losses recorded at RM **** during POI. The losses recorded at ****% in Year 1 to ****% in Year 2 to ****% during POI.

BAHRU suffered clear material injury in terms of profitability due to the presence of the dumped imports from the alleged countries.

TABLE H-1.1(b): PROFITABILITY OF LIKE PRODUCTS FOR SALES TRANSACTIONS TO RELATED PARTIES – POID

LIKE PRODUCTS	YEAR 1			YEAR 2		
	Domestic (RM)	Export (RM)	Total (RM)	Domestic (RM)	Export (RM)	Total (RM)
Net Profit/Loss	**(100)**	**(100)**	**(100)**	**(132)**	**(41)**	**(66)**
Profit/Loss Margin	-100	-100	-100	-100	-60	-82

Source: BAHRU

POI		
Domestic (RM)	Export (RM)	Total (RM)
(117)	**(65)**	**(79)**
-108	-80	-91

H-2 Return on Total Assets

Besides producing CRSS, BAHRU also carries out annealing and pickling of hot rolled black coils and shares certain production assets of the production of the CRSS product such as land, buildings and certain production lines as the hot annealing and pickling line, cutting lines and packing lines are commonly used.

As such the return on assets used cannot be directly apportioned for the cold rolled products, however the return and profitability of the cold rolled product is strongly correlated to these assets as CRSS is the main product manufactured by the company.

Table H-2.1: Return on Total Assets – POID

Description	YEAR 1	YEAR 2	POI
A. Net Income/(Loss)* (RM)	(****)	(****)	(****)
B. Total assets* (RM)	****	****	****
C. Return on total assets (A/B) x 100 (%)	(100)	(121)	(142)

Source: BAHRU

During Year 1, BAHRU recorded negative ROA at ****%, the ROA dropped further to negative ****% in Year 2 and further dropped to ****%.

BAHRU suffered in terms of ROA throughout POID in the presence of dumped imports from the alleged countries, and this peaked during POI.

H-3 Investments

BAHRU continued to invest, with long-term interests, on machinery & equipment for greater efficiency to maintain its competitiveness where RM**** was invested in Year 1, RM **** in Year 2 and RM **** during POI as shown in the Table H.3.1 below.

Table H.3.1: Investments – POID

Description	YEAR 1 (RM)	YEAR 2 (RM)	POI (RM)
Total Company Investments	100	143	262
Total investment for the product (if any) of which:			
Capital:			
Land	-	-	-
- **Buildings**	****	****	****
- **Machinery & equipment**	****	****	****
- **Furniture, fixtures and office equipment**	****	****	****
Motor Vehicle	-	****	-

Construction in progress	****	****	****
Software	****	****	****
Non Capital:			
- R & D	N/A	N/A	N/A
- Others			

Source: BAHRU

Despite facing many challenges in view continued dumping from the alleged countries, BAHRU continued to invest, albeit not at the level as originally planned. This is on the premise that the returns on assets figures were not favouring high investments. This state of affairs affected BAHRU's ability to raise capital for higher investments.

H-4 Return on Investment

Table H-4.1 provides BAHRU's return on investment made.

Table H-4.1: Return on Investment - POID

Description	YEAR 1	YEAR 2	POI
A. Cost of investment (Cost of Fixed Assets) (RM)	****	****	****
B. Gain/(Loss) from investment (Net loss) (RM)	(****)	(****)	(****)
C. Return on investment (B/A) x 100	(100)	(114)	(113)

Source: BAHRU

BAHRU suffered negative ROI throughout POID. The ROI in Year 1 was negative ***%, dropped further to negative ***% in Year 2 and remained negative ***% during POI, lower than Year 1.

It has to be put on record that BAHRU has contributed to high FDI into Malaysia after having studied the prices in the Malaysian market and done due diligence as a viable operation to invest in Malaysia as there was no fully integrated stainless mill in the ASEAN region back then. However, with the mushrooming of stainless production in the region, this contributed to the point where other mills in the region are shedding their excess production into an open Malaysian market stainless steel (zero import duty) at dumped prices and driving the prices in the Malaysian market for the local producer to unviable levels and affecting the profitability of BAHRU as shown above - negative ROI throughout POID.

BAHRU suffered in terms of ROI throughout the POID due to the presence of the dumped imports from the alleged countries.

H-5 Cash Flow

In Table H-5.1 shows the cash flow arising from BAHRU's activities in the production and sale of the Like Products.

Table H-5.1: Cash Flow Statement - POID

Cash Flow Statement	YEAR 1 (RM)	YEAR 2 (RM)	POI (RM)
Operating income/(Loss)	(****)	(****)	(****)
Adjustment to reconcile net income to net cash provided by operating activities:			
Depreciation and amortisation	****	****	****
Loss on disposal of property, plant & equipment	****	****	****
Changes in other accounts affecting operation:			
(Increase)/ decrease in inventories	(****)	****	****
(Increase)/ decrease in group companies	****	(****)	(****)
(Increase)/ decrease in receivables	(****)	(****)	****
Increase/ (decrease) in account payable	****	****	****
Cash generated from/(used by) operations	(****)	****	****
Tax refunded / (paid)	-	-	-
Net cash provided/(used) by operating activities	(100)	4514	2575

Source: BAHRU
Note: "Operating income /Loss: before interest income, interest expenses and net exchange gain / loss"

In Year 1, the cash flow recorded negative RM ****, improved in Year 2 to positive cash flow at RM**** but cash flow dropped again to much lower level of RM**** during POI.

BAHRU suffered material injury in terms of cash flow during POI due to the presence of the dumped imports from the alleged countries.

H-6 Minimum Profit Required

In this type of industry, a profit level of 10% of profit before tax is considered reasonable for sustaining the operations and allowing shareholders to invest in future product development/capacity.

H-7 Ability to Raise Capital

As already elaborated under H-3 and H-4 above, with such poor returns, it is increasingly becoming difficult to justify requests to raise capital in tandem with planned investments.

The dumped imports from the alleged countries have unfairly depressed the selling price, leading to price suppression in the Malaysian market to unviable levels. This is on the premise that foreign producers are shedding their excess production in the Malaysian market and this is affecting BAHRU at detrimental levels.

The effects of the dumped imports are not only confined to negative price effects but also negative volume effects in terms of production and capacity utilization. This further exacerbated BAHRU's ability to raise capital.

SECTION I
CAUSAL LINK

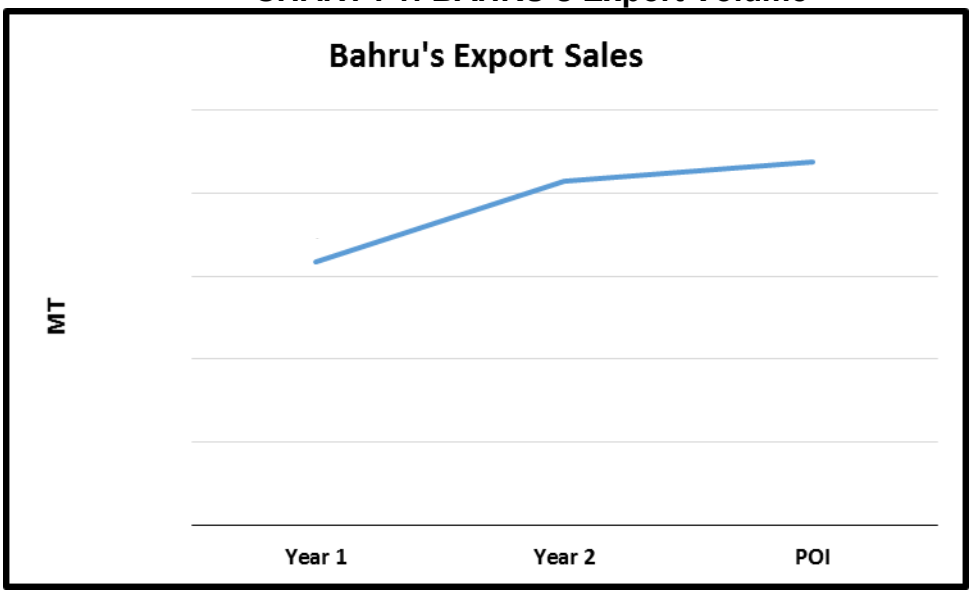
Various factors are evaluated and arguments with evidence/justifications are provided to strongly support the petition request as to why the material injury suffered by BAHRU cannot be due to other factors but the material injury suffered by BAHRU is due to the dumped imports from the alleged countries. The causal link is established by first looking at other factors that could not have contributed to the material injury suffered by BAHRU and additional also establish the link between the material injury suffered by BAHRU and the volume and price effects on BAHRU.

Other Factors – and BAHRU's Material Injury

Exports Not a Cause to Material Injury Suffered by BAHRU

The following shows BAHRU's export sales.

CHART I-1: BAHRU's Export Volume



Source: Bahru

BAHRU's export volume increased every year from **** MT in Year 1 to **** MT in Year 2 to **** MT during POI.

Based on the foregoing, BAHRU's inability to export is not a cause to the material injury suffered by BAHRU.

Technology Not a Cause to Material Injury Suffered by BAHRU

BAHRU has state of the art technology equipment design and is supported by ACERINOX group experience in making Stainless Steel in 3 continents in the past 50 years. BAHRU possesses the latest available technology in cold rolling, annealing and pickling.

BAHRU has also been continually upgrading its technology, as seen from the investments made and at any time can compete with the most competitive manufacturers from Japan, Europe and America.

Based on the foregoing, outdated technology could not be a reason for the material injury suffered by BAHRU.

Quality is Not a Cause to Material Injury Suffered by BAHRU

BAHRU has world class technology and continuous human resources training provided to its staff based on ACERINOX's group standard where BAHRU's staff have been sent to train in other Acerinox Group of companies.

Based on the foregoing, quality of BAHRU's products could not be a reason for the material injury suffered.

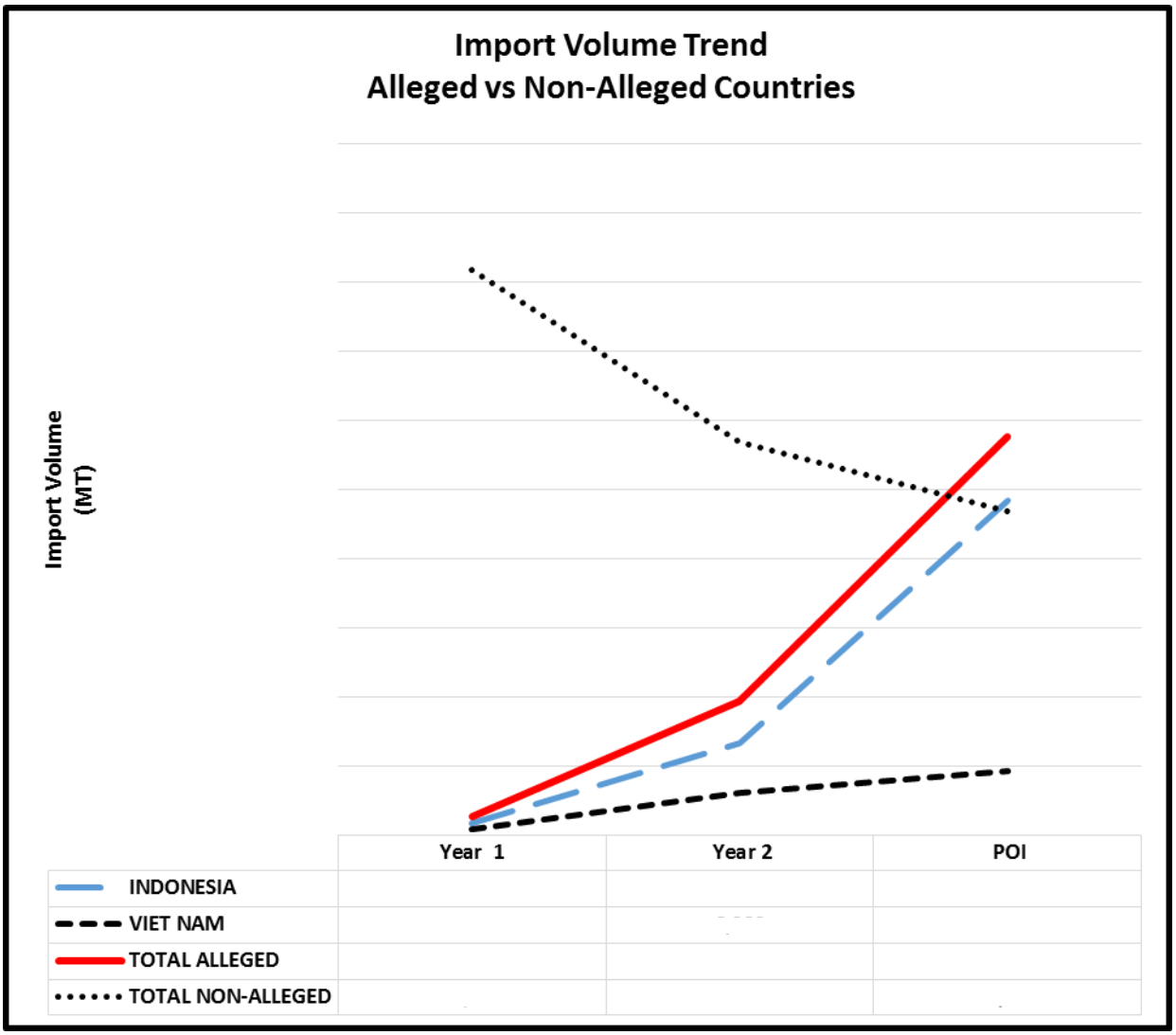
Imports of Non-Alleged Countries

It has to be highlighted that the imports from PRC, Korea, Chinese Taipei (Taiwan) and Thailand were imposed with final AD duties on 28 February 2018, which has effectively reduced the dumped imports from these countries entering the Malaysian market. With the AD measure in place, BAHRU believes imports from these countries are entering the Malaysian market at fair prices. This also goes to show that after an investigation is conducted and where those foreign producer/exporters were found to be dumping, the anti-dumping duties will raise the dumped prices to the same level as their own domestic market prices. This eventually results in, competition on fair terms.

Further, Article 3.3 of the WTO Antidumping Agreement allows, where the imports of a product from more than one country are simultaneously subject to antidumping investigation, for the cumulative assessment of the effects of such imports provided it is established imports from each country satisfies requirements as defined in Article 5.8 of the WTO AD Agreement (the individual imports of the alleged country must be more than 3% and cumulatively of those alleged with less than 3% of import volume, less than 7%), which is the case in this petition submission. Additionally, cumulative assessment is appropriate in this particular investigation in light of the conditions of competition between the imported products and the conditions of competition between imported products and the Like Product produced by BAHRU.

The following chart shows the individual and cumulated import volume trend of alleged countries and the cumulated non-alleged countries.

CHART I-2: Import Volume Trend – Alleged (Individual and Cumulated) vs Non-Alleged Countries



Source: DOS, Malaysia

Based on the above, the cumulated import volume of just the two alleged countries during POI had overtaken the cumulated import volume of all other non-alleged countries. BAHRU is claiming that this is only possible through dumping by the alleged countries; and BAHRU has provided *prima facie* evidence of dumping by producers/exporters from these two alleged countries.

For the non-alleged countries, the imports saw a noticeable drop from Year 1 to Year 2 presumably due to anti-dumping duties that were imposed on these countries in 2018.

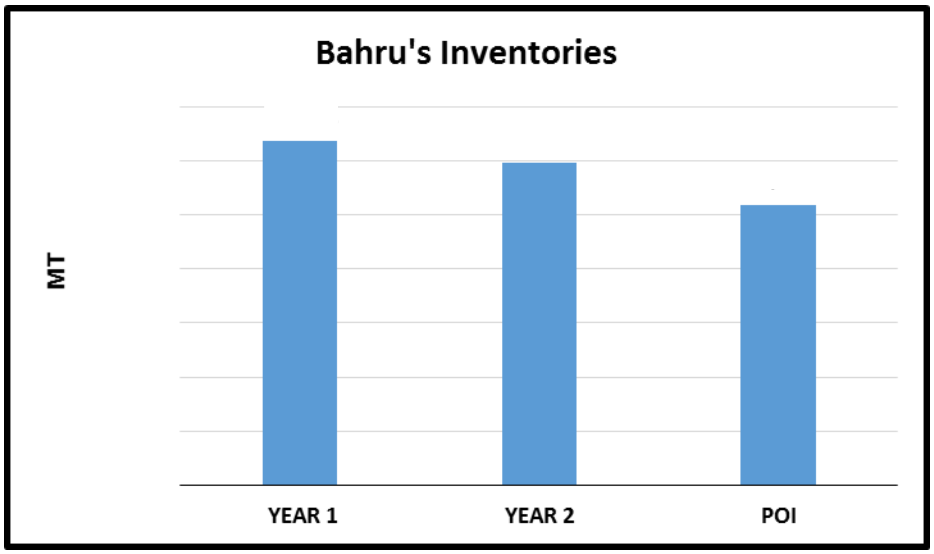
However, as Indonesia and Vietnam were not part of the previous anti-dumping investigation and therefore, not subjected to any duties, the imports from these countries spiked from Year 1 to POI.

Based on the foregoing, the imports from the non-alleged countries could not have been a cause on the material injury to the domestic industry.

Inventory is Not the Cause of Material Injury to BAHRU.

The following chart shows how BAHRU managed its inventories.

CHART I-3: BAHRU's Inventories



Source: BAHRU

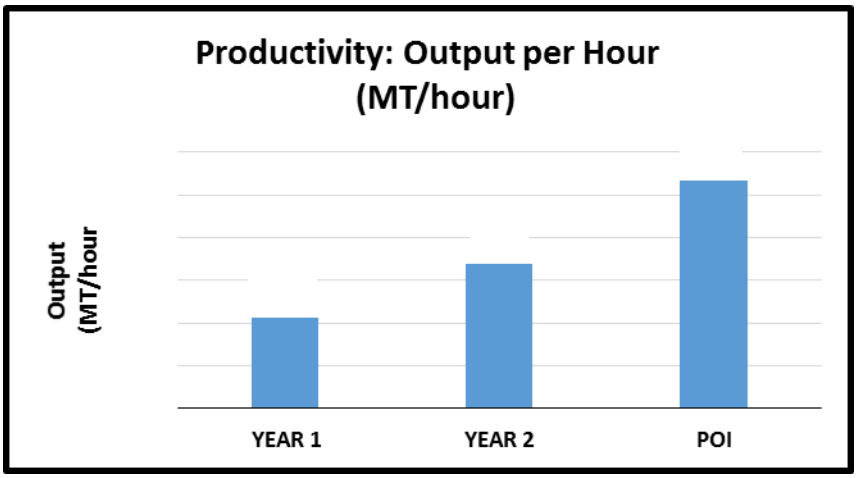
The above chart clearly shows that BAHRU has managed its inventory levels that shows a decreasing trend and the inventory level has been kept at very low levels between ***%-***% of total production.

Based on the foregoing, inventories could not be the cause of material injury suffered by BAHRU.

Productivity is Not the Cause of Material Injury to BAHRU

BAHRU's productivity based on MT/hour increased every year and the information is provided in the following chart.

CHART I-4: Productivity – Output Per Hour (MT/hour)



Source: Bahru

BAHRU's productivity in terms of machine output per hour improved throughout POID.

Based on the foregoing, productivity issues could not be a cause to the material injury suffered by BAHRU.

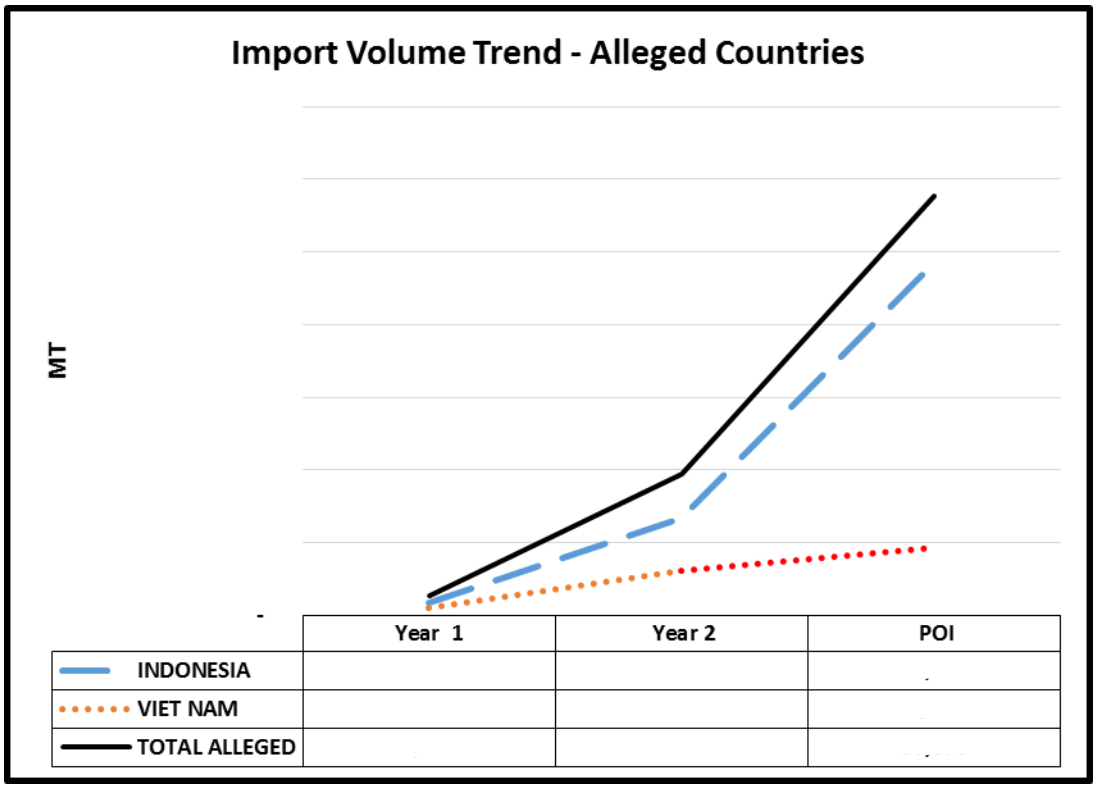
VOLUME EFFECTS - DUMPED IMPORTS FROM THE ALLEGED COUNTRIES ON BAHRU

Import Volume Trend of Alleged Countries

The individual and cumulated total import volume from the alleged countries increased every year during POID, whereas the import volumes from the non-alleged countries decreased sharply during POID. During the POI, the cumulated import volume from the alleged countries accounted for the major share of imports holding as against the non-alleged countries.

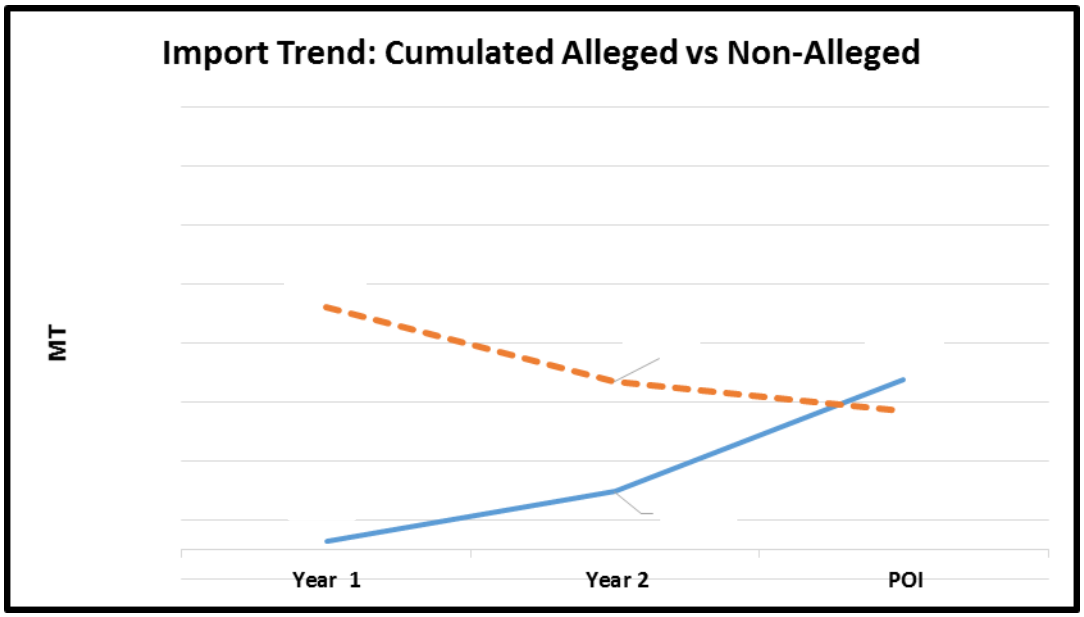
The following charts shows how the alleged countries have taken over the major share of imports, which in BAHUs view is possible only through dumping.

CHART I-5: Import Trend – Individual and Cumulated Imports from Alleged Countries



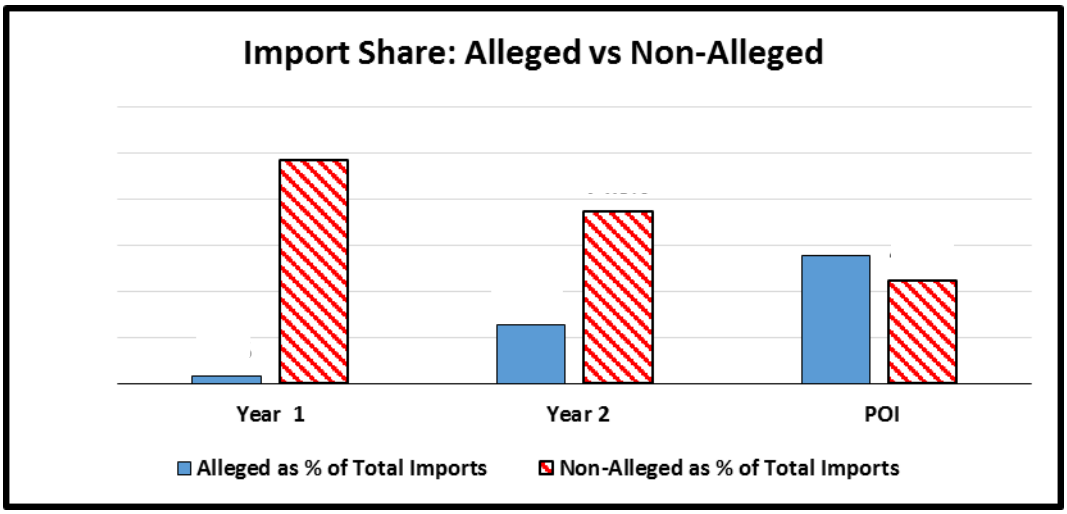
Source: DOS, Malaysia

CHART I-6: Import Trend – Cumulated Alleged Countries vs Cumulated Non-Alleged Countries



Source: DOS, Malaysia

CHART I-7: Import Share – Cumulated Alleged Countries vs Cumulated Non-Alleged Countries



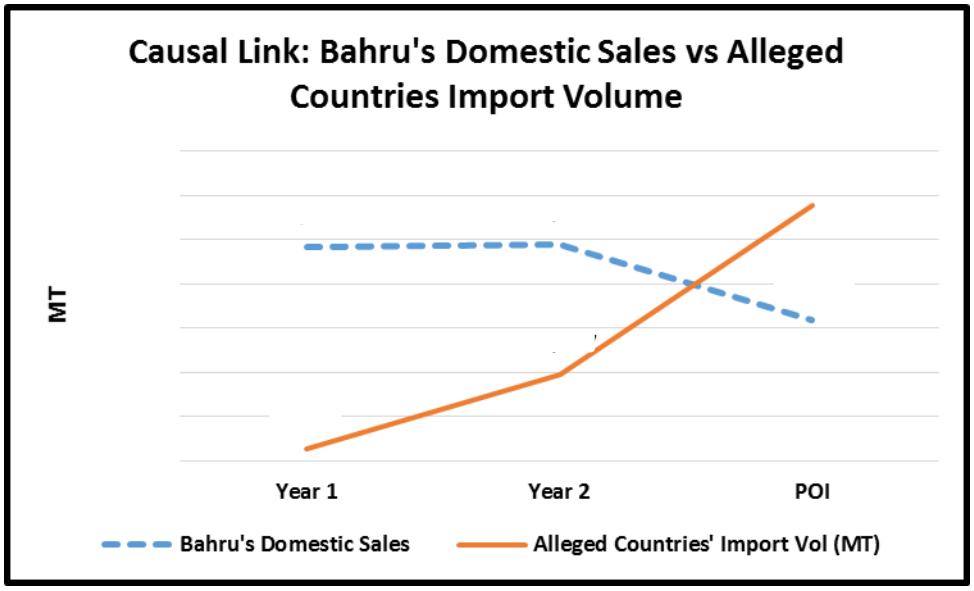
Source: DOS, Malaysia

The imports from the alleged countries only accounted for ***% of total imports in Year 1 and increased to ***% of total imports in Year 2 and during POI took over as the major import share of ***% of total imports.

BAHRU's Domestic Sales

The following chart shows how BAHRU's domestic sales dropped with increasing import volume of the dumped imports from the alleged countries.

Chart I-8: BAHRU's Domestic Sales Volume vs Cumulated Alleged Countries Import Volume



Source: DOS, Malaysia & BAHRU

The dumped import volume from the alleged countries continuously increased against BAHRU's domestic sales, where the latter only saw slight increase in sales (***%) from Year 1 to Year 2. However, BAHRU's domestic sales dropped by ***% from Year 2 to POI but the dumped imports from the alleged countries increased to a very high level, an increase by ***%, and even overtook in absolute volume of both BAHRU's domestic sales volume and the combined import volume of other non-alleged countries. It has already been stated that the import volumes of the non-alleged countries decreased throughout POID.

Based on the foregoing, during POI, BAHRU suffered in terms of domestic sales volume due to the presence of the dumped imports from the alleged countries.

Market Share

The apparent consumption in the Malaysian market is as follows:

TABLE I-1: Apparent Consumption

	Bahru's Domestic Sales Volume (MT)	**Total Import Volume (MT)**	**Apparent Consumption (MT)**
Year 1	100	100	100
Year 2	101	90	94
POI	88	124	111

Source: DOS, Malaysia & BAHRU

BAHRU's domestic sales increased marginally from *** MT to *** MT (***%) from Year 1 to Year 2 but decreased to *** MT during POI (***%) which is at lower level than Year 1. We have already stated that the import volume from the alleged countries continually increased sharply during POID to take over major market share during POI.

The apparent consumption decreased from *** MT in Year 1 to *** MT (***%) in Year 2 but increased back again to *** MT during POI (by ***%).

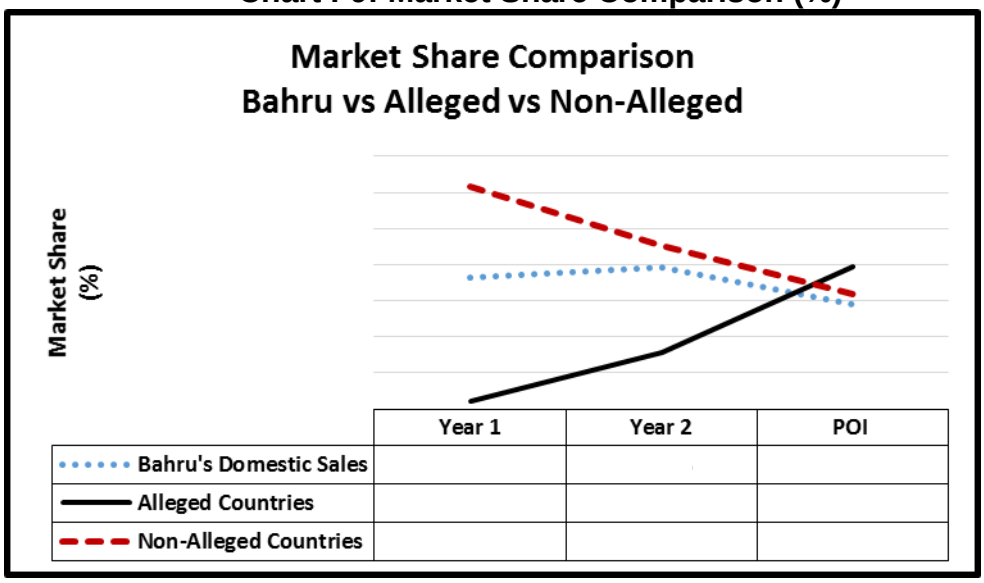
TABLE I-2: Market Share Comparison - Apparent Consumption

	BAHRU's Domestic Sales - Share of Apparent Consumption (%)	**Alleged Countries' -Share of Apparent Consumption (%)s**	**Non-Alleged Countries' Share of Apparent Consumption**
Year 1	100	100	100
Year 2	107	775	74
POI	79	1965	52

Source: DOS, Malaysia & BAHRU

BAHRU's market share increased from ***% in Year 1 to ***% in Year 2 but decreased to ***% during POI. The imports from the alleged countries market increased continuously from a very low ***% to ***% to become the major market share holder at ***%. Whereas the imports from non-alleged countries market share continuously dropped sharply and their market share in Year 1 and Year 2 at ***% and ***% respectively decreased to ***%, which is lower than the dumped imports from the alleged countries. The market share movement clearly shows how the dumped imports from the alleged countries unfairly captured the major market share in the Malaysian market whereas BAHRU and the non-alleged countries lost market share during POI. This is further supported by the *prima facie* dumping evidence that has been established for the imports from the alleged countries.

Chart I-9: Market Share Comparison (%)



Source: DOS, Malaysia & BAHRU

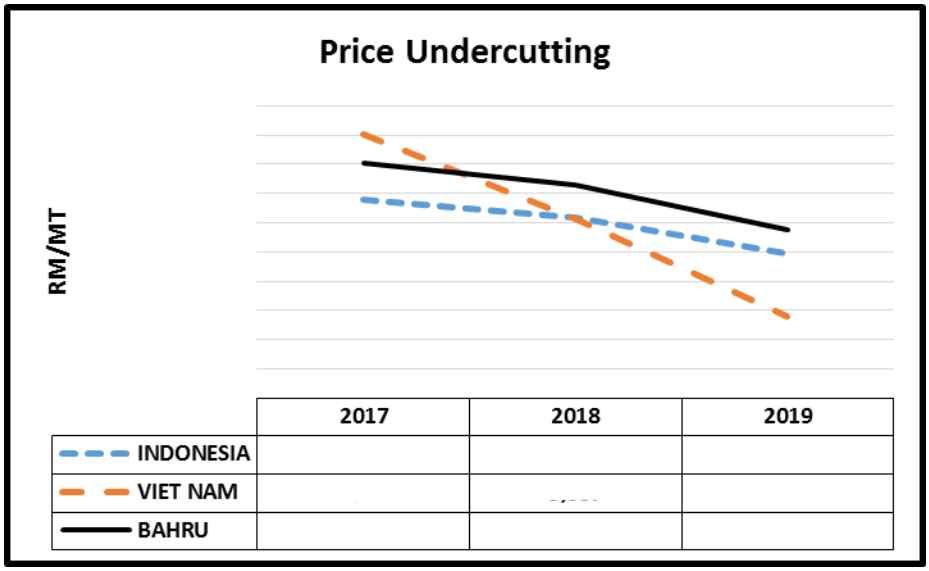
Based on the foregoing, BAHRU suffered in terms of volume effects due to the presence of the dumped imports from the alleged countries.

PRICE EFFECTS

Price Undercutting

Price undercutting of BAHRU's price and the individual alleged countries' prices is provided in the Chart below.

Chart I-10: Price Undercutting – BAHRU's prices vs Individual Alleged Countries prices

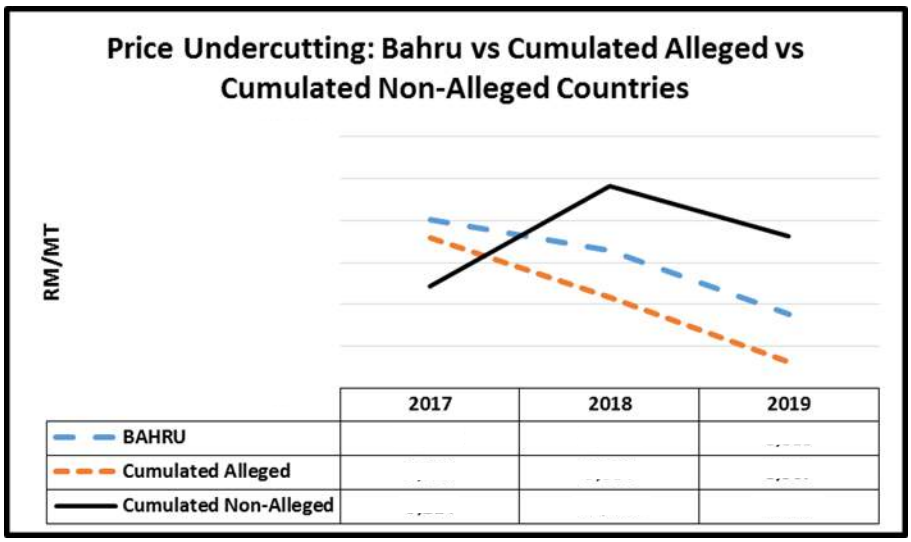


Source: DOS, Malaysia & BAHRU

The chart clearly shows that the imports from Indonesia price undercut BAHRU's prices throughout POID and gained significant market share. Imports from Viet Nam had price undercutting effects in Year 2 and POI.

The following chart compares the cumulated prices of the alleged and non-alleged countries' prices against BAHRU's prices.

Chart I-11: Price Undercutting – BAHRU's prices vs Individual Alleged Countries prices



Source: DOS, Malaysia & BAHRU

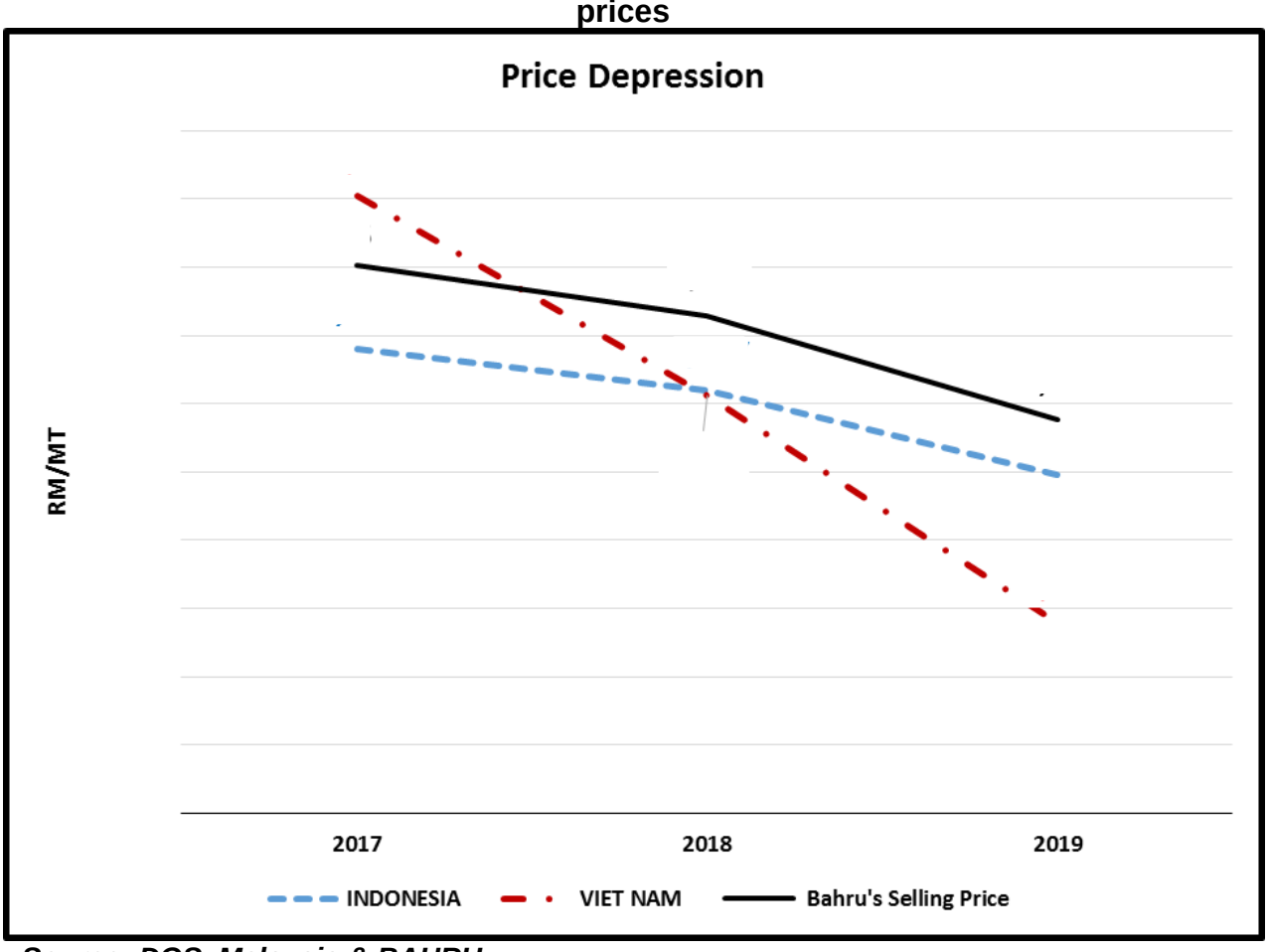
The chart shows that the non-alleged and alleged countries' average unit prices undercut BAHRU's prices in Year 1. However in Year 2 and POI, the cumulated non-alleged countries prices were above BAHRU's but the cumulated prices of the alleged countries price undercut BAHRU's selling prices.

Based on the foregoing, BAHRU suffered price undercutting by imports from the alleged countries in Year 2 and during POI.

Price Depression

The following chart shows how BAHRU's prices faced a downward pressure throughout the POID with the prices of the individual alleged countries clearly price undercutting BAHRU's prices during Year 2 and POI.

Chart I-12: Price Depression – BAHRU's prices vs Individual Alleged Countries prices



Source: DOS, Malaysia & BAHRU

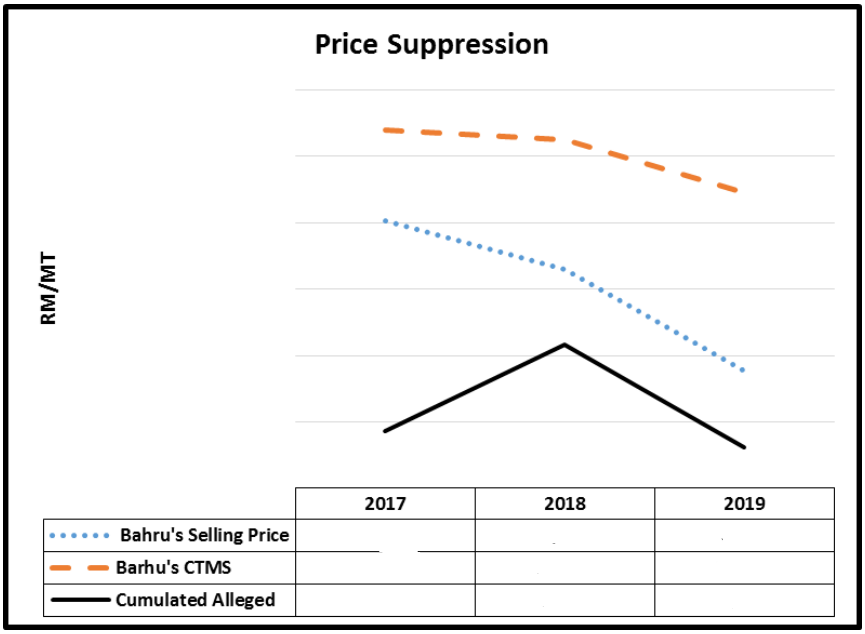
It has already been established that the imports from the non-alleged countries cumulatively did not undercut BAHRU's prices.

Based on the foregoing BAHRU suffered in terms of price depression.

Price Suppression

To show price suppression, we compared BAHRU's selling price with its Cost to Make and Sell (CTMS). The following chart shows the presence of price suppression.

Chart I-13: Price Suppression – BAHRU's Selling Price vs Bahru's CTMS



Source: BAHRU

The chart above clearly demonstrates price suppression whereby BAHRU was forced to drop prices to sell the PUI even if it means having to sell below CTMS. This was done to match the much lower priced dumped import prices from the alleged countries which has resulted in BAHRU not being able to be profitable throughout POID.

Based on the foregoing, BAHRU suffered in terms of price suppression.

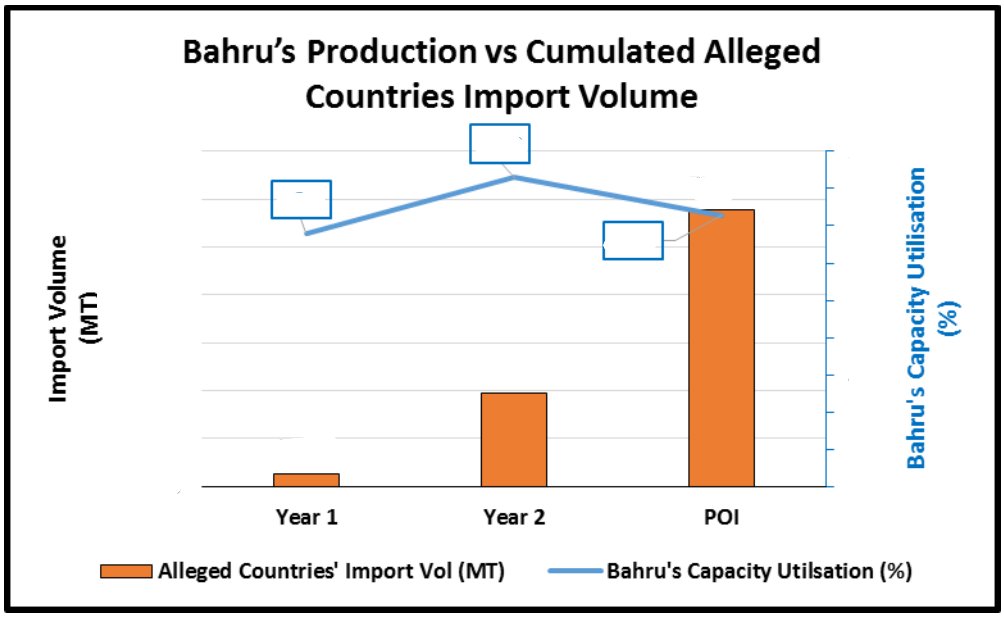
It can be safely concluded that BAHRU suffered price effects in the form of price undercutting, price depression and price suppression throughout the POID and these effects attributed to the presence of the dumped imports from the alleged countries.

DUMPED IMPORTS FROM ALLEGED COUNTRIES AND CAUSAL LINK TO FINANCIAL AND ECONOMIC FACTORS ON BAHRU

Production and Capacity Utilisation

BAHRU's capacity utilization is compared to the import volume trend of the dumped imports from the alleged countries is shown below.

Chart I-14: BAHRU's Production vs Cumulated Alleged Countries Import Volume



Source: DOS, Malaysia & BAHRU

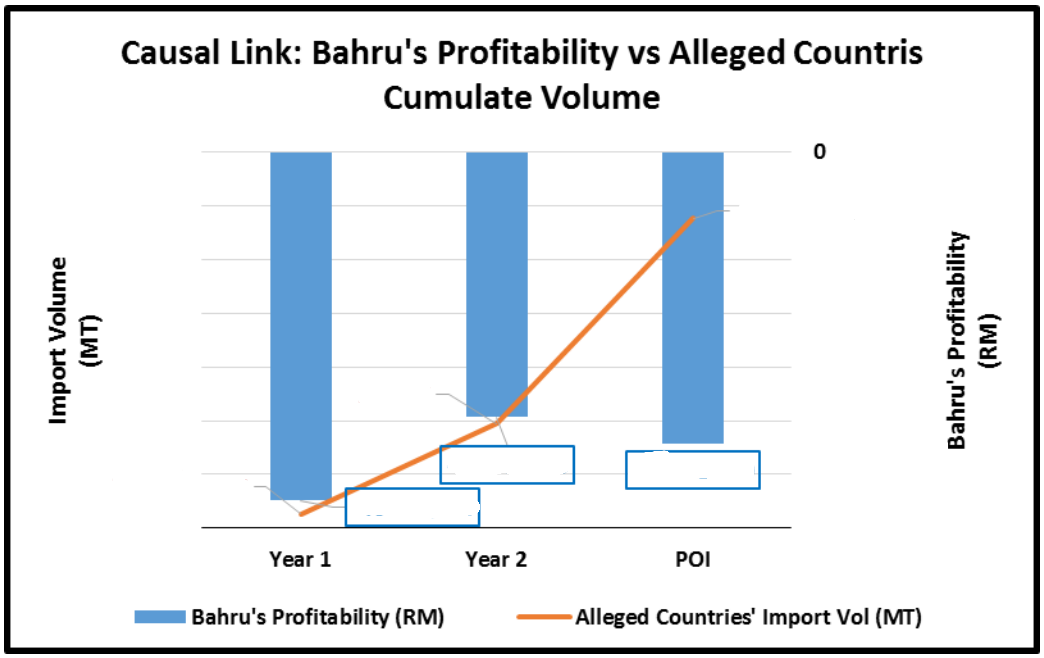
BAHRU's capacity utilization increased from ***% to ***% as the volume of non-alleged countries decreased sharply and at the same time the alleged dumped import volumes began to increase from just *** MT in Year 1 to *** MT in Year 2. However, BAHRU's capacity utilization dropped to ***% during POI when at the same time there was a sharp increase in import volume that surged to *** MT. As stated in Section F, BAHRU's production increased from *** MT from Year 1 to Year 2 but again dropped to *** MT, which is a clear contrast to the increase in import volume of the dumped imports from the alleged countries.

Based on the foregoing, BAHRU suffered in terms of capacity utilization and production during POI and it can be safely attributed to the presence of the dumped imports from the alleged countries.

Profitability

The following chart compares BAHRU's profitability to the import volume trend of the alleged countries.

Chart I-15: BAHRU's Profitability vs Cumulated Alleged Countries Import Volume



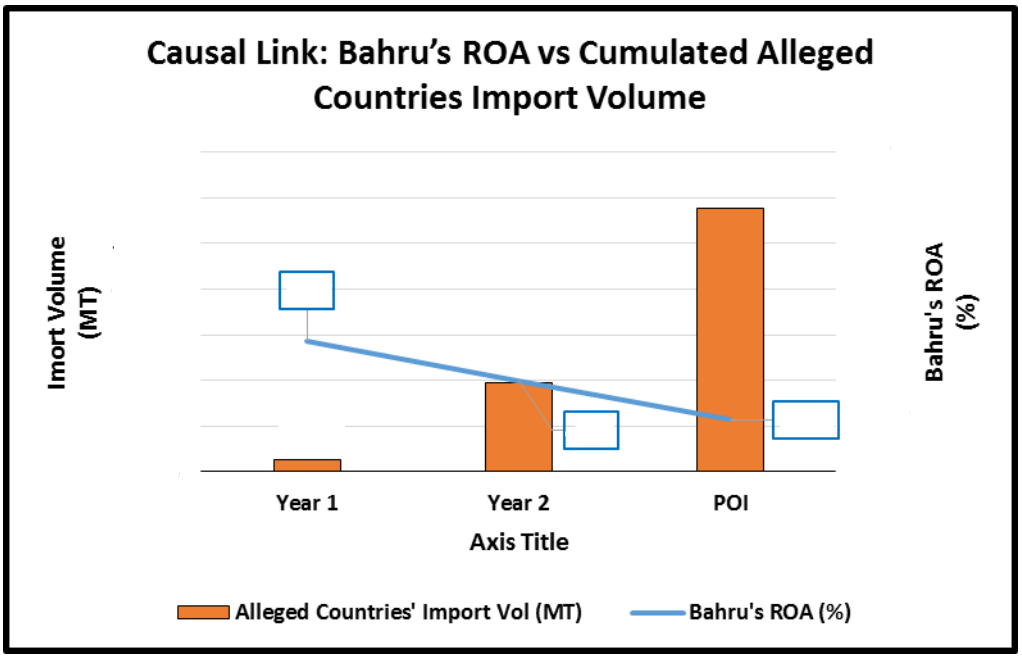
Source: DOS, Malaysia & BAHRU

As the volume of the dumped imports from the alleged countries increased throughout POID, with negative price effects on BAHRU, BAHRU suffered losses throughout POID, thus establishing the causal link between BAHRU's profitability and dumped imports from the alleged countries.

Return on Asset (ROA)

The following chart compares BAHRU's ROA to the import volume trend of the alleged countries.

Chart I-16: BAHRU's ROA vs Cumulated Alleged Countries Import Volume



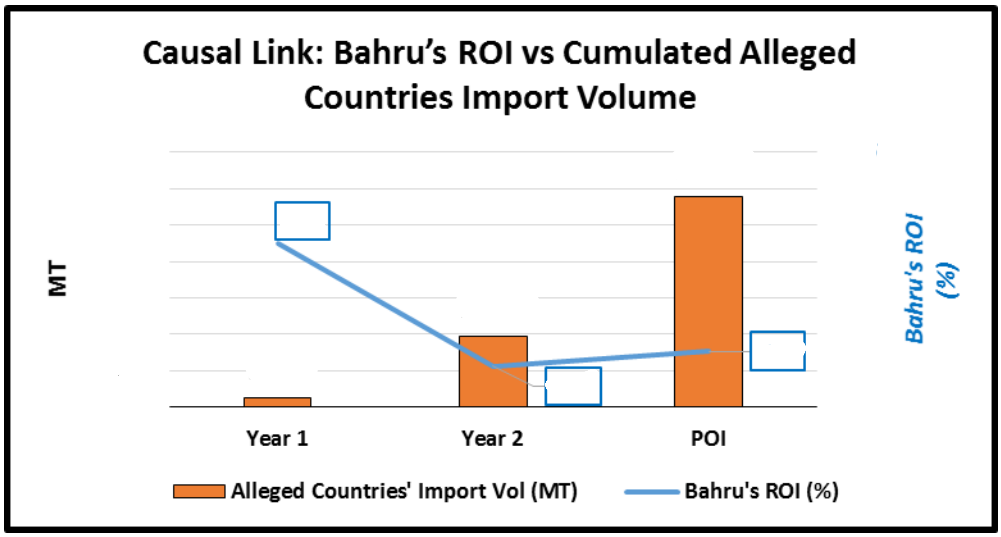
Source: DOS, Malaysia & BAHRU

As the volume of the dumped imports from the alleged countries increased throughout POID, with negative price effects on BAHRU, its ROA suffered throughout POID, thus establishing the causal link between Bahru's ROA and the dumped imports from the alleged countries.

Return on Investment (ROI)

The following chart compares BAHRU's ROI to the import volume trend of the alleged countries.

Chart I-17: BAHRU's ROI vs Cumulated Alleged Countries Import Volume



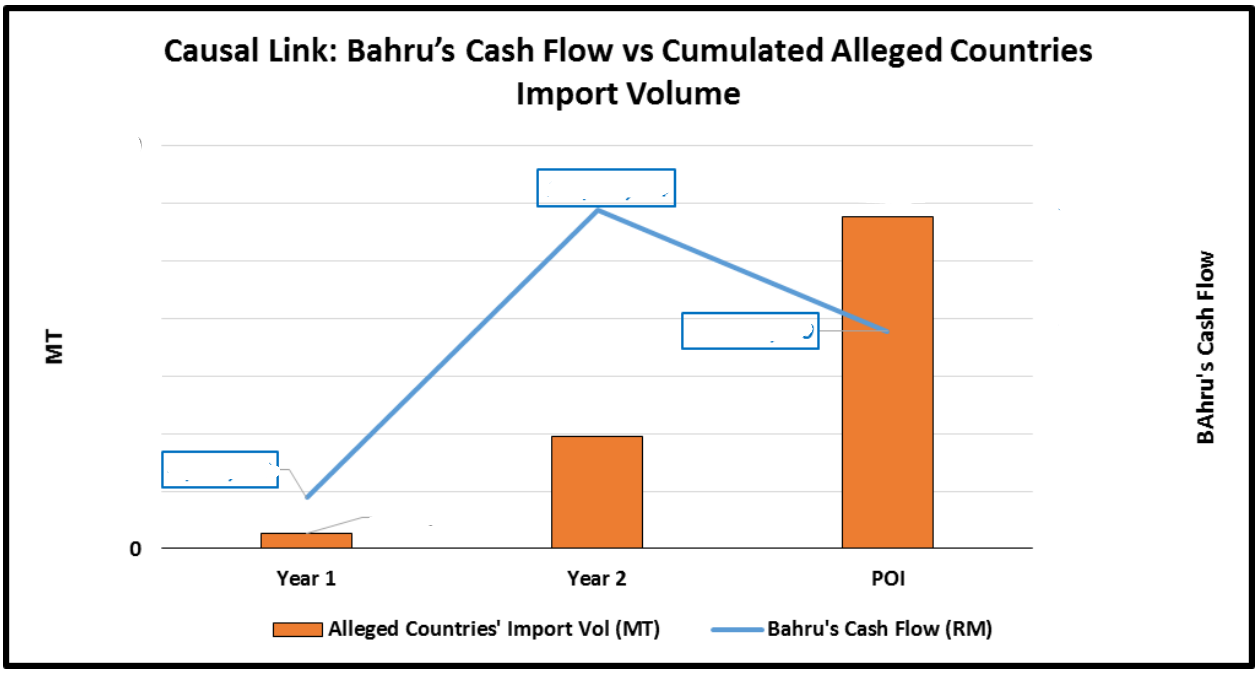
Source: DOS, Malaysia & BAHRU

As the volume of the dumped imports from the alleged countries increased throughout POID, with negative price effects on BAHRU, its ROI suffered throughout POID, thus establishing the causal link between BAHRU's ROI and the dumped imports from the alleged countries.

Cash Flow

The following chart compares BAHRU's cash flow and the import volume trend of the alleged countries.

Chart I-18: BAHRU's Cash Flow vs Cumulated Alleged Countries Import Volume



Source: DOS, Malaysia & BAHRU

BAHRU's cash flow improved from negative RM **** to positive RM **** from Year 1 to Year 2, but as the imports from the alleged countries increased sharply during POI, with negative price effects of price undercutting, price depression and price suppression, BAHRU's cash flow dropped to much lower levels by ***%. This is consistent with the increase of the dumped imports from the alleged countries throughout POID, thus establishing the causal link between BAHRU's decreased cash flow and the dumped imports from the alleged countries.

CAUSAL LINK: SUMMARY OF MATERIAL INJURY FACTORS SUFFERED BY BAHRU

The causal link has been clearly established i.e. that the material injury suffered by BAHRU is due to the presence of dumped imports from the alleged countries during POI in terms of:

- Profitability: incurred losses throughout POID;
- Price effects: price undercutting (throughout POID), price depression and price suppression – unable to sell above CTMS;
- Production and Capacity utilisation: Reduced production and capacity utilisation;
- Return on Assets: recorded negative return on assets throughout POID;
- ROI – recorded negative return on investment throughout POID and unable to get a reasonable return on the investments made.

- In ability to re-invest/raise capital: BAHRU was prevented from obtaining reasonable profits to re-invest or raise capital as it was facing losses;
- Cash Flow: reduced cash flow during POI;
- Sales Volume: reduced sales volume during POI; and
- Market Share: reduced market share during POI.

Finally, it has been clearly established that the material injury suffered by BAHRU cannot be due to other factors but solely due to the dumped imports from the alleged countries.

SECTION J
PUBLIC INTEREST

J-1 Stainless Steel Overview and Malaysian Market

The global stainless steel market size was valued at USD 111.4 billion in 2019 and is anticipated to witness a CAGR of 6.3% in terms of revenue from 2020 to 2027. Rising demand from consumer goods is likely to drive market growth as the stainless steel is resistant to corrosion, exhibits high toughness and ductility, and requires low maintenance. The aforementioned properties of stainless steel have resulted in the increased utilization of the product in consumer products such as cookware, showpieces, and stoves, which in turn is anticipated to propel product demand over the coming years.
(https://www.grandviewresearch.com/industry-analysis/stainless-steel-market).

At the ASEAN level, China's excess production capacity is being transferred to ASEAN Member States, especially in Indonesia and Viet Nam. For instance, TsingShan has built 3 million MT per year facility in Sulawesi, Indonesia, whereas the consumption in Indonesia is only estimated at 50%. Additionally, Jongjin has also built CR with declared capacity of 250,000 MT per year.

These shift in production from PRC to ASEAN in the stainless steel sector is due structural reform leading to excess capacity and this is contributing to imbalance in demand-supply situation in the ASEAN and especially in the Malaysian market.

Stainless Steel market including Malaysia as well as the rest of the regions of the world consuming stainless steel are affected by a major underlying problems which is the economically unjustified increase of stainless steel production capacity initially in PRC which has faced government initiated serious structural reforms causing the export of these production to ASEAN countries.

CRSS has seen with these overcapacity, where the markets have already enough capacity by themselves and many regional markets (Taiwan, Japan, Korea, India, Vietnam, Thailand, Indonesia has initiated an investigation, India) and non-regional markets (USA, European Union – current investigation, Russia, Brazil) resorting to trade remedy measures against these countries including ASEAN based countries producing CRSS.

As for the Malaysian market, Malaysia's Stainless Steel market is currently growing at 5-6% per year in terms of consumption. A local producer will fuel growth with faster delivery of CRSS goods, technical support and assistance to customers, finance of stock for the regional industry and reduction on raw material prices volatility. However, no local industry can compete with unfairly priced dumped imports from foreign producers/exporters.

This is the state of affairs in the CRSS market in Malaysia. AD measure was imposed on dumped imports that took the major market share through unfairly dumping their CRSS in the Malaysian market. AD measure was imposed on PRC, Korea, Chinese Taipei and Thailand. The AD measure was effective in curtailing dumped imports which saw the CRSS imports from these countries dropping to much lower levels but low imports were still coming in. Just as BAHRU was beginning to compete to gain market share, imports from Indonesia and Viet Nam increased in large volumes through dumping has begun taking away market share unfairly by dumping – as shown in this petition now accounting for the major market share.

It is not the competition that BAHRU is against but the unfair prices through dumping that has created an uneven playing field that makes it difficult for BAHRU to remain profitable.

Malaysia should not be a continued victim and be at the receiving end of the structural problems faced by the other countries. Trade remedial action in terms of anti-dumping duties is the only way to correct the impact of the imbalance created by these structural issues of the other countries (as has been done by other countries to protect their markets from dumped imports) and, to create the level playing field for the local industry, BAHRU to compete fairly in its own market.

J-2 Effect of Continued Imports

CRSS flat products are used by a vast number of consuming industries (Please see picture below).

It is essential for the Malaysian production base to supply a whole range of products to meet the chain of downstream activities and ensure the R & D, service and technical support that are necessary to support Malaysian downstream industries in order to maintain or ensure a competitive edge in the global market.

Since BAHRU started its operations, BAHRU has improved and has in place a very competitive mill with state of the art equipment, technical capabilities and trained human capital and able to deliver its products at the highest quality standards required by the market. The Petition also provides evidence that BAHRU has both taken steps to continually improve its productivity and CTMS besides taking other prudent steps.

The excess capacity in Indonesia and Viet Nam has found its way and this is acceptable to BAHRU but not at dumping prices, as shown in the petition how the imports from these two alleged countries increased its market share through price undercut and led to price depression and price suppression which in turn has prevented BAHRU from enjoying fair profits that is due to BAHRU.

PUBLIC INTEREST

Such dumping that BAHRU is continually faced with as a backdrop and, Malaysia being an attractive market that allows for free flow of goods, action needs to be taken to remedy any unfair trade practice of dumping.

BAHRU, supported by the Acerinox Group, is fully committed and is helping to develop the local industry which is the approach that Acerinox Group takes, as in all other

markets where Acerinox has successfully supported a local producer in the establishment of stainless steel manufacturing to support the downstream producers.

Acerinox Group is the Stainless Steel market leader in Spain, United States and Southern Africa. In all these markets it has helped to develop during its almost 50 years of existence stainless steel downstream industry by working with end users that can leverage on the local producer advantages (lower risk of raw material volatility, faster delivery times, technical customer services and applications development, reduction on exchange rate risks.). The domestic suppliers to BAHRU and BAHRU to downstream users will benefit from its high quality standards and can leverage from its regular volume of business in moving Malaysia up the value chain in the stainless steel sector and other sectors that involve BAHRU's supplies of consumables and spares.

Further with the presence of BAHRU, Malaysia has savings in terms of currency outflow and reduce deficit in balance of trade. In addition, BAHRU contributes to high employment where 90% are of local Malaysians at all levels, especially in providing employment to the locals. In running the mill, BAHRU also contributes to spill-over effects, increase consumption through supporting logistics and transport sectors, local food suppliers, port usage where the Iskandar region and Tanjung Langsat industrial complex have benefited from BAHRU's investment as a pole of attraction for other industries to come to the area. Utility companies benefit from BAHRU's expenditure in Natural Gas and Electric Energy (Bahru being the biggest Natural Gas industry user in the Southern Region and one of the biggest industrial Electricity users) contributing to the Malaysia's GDP.

To summarise, BAHRU would like to reiterate the benefits that BAHRU as a local producer will bring to Malaysia Stainless Steel industry adds to support a whole ecosystem surrounding BAHRU's production. BAHRU respectfully requests that the Investigating Authority must factor in the following list of factors, which is of public interest, in the interest of maintaining/developing a viable Stainless Steel industry (under fair competition) in Malaysia:

- It is of national interest to support/safeguard SS industry development from unfair means of competition, as legally provided under the WTO Agreements;
- SS industry is a strategic industry that will assist Malaysia in moving Malaysia up the value chain - Higher value adding industry;
- Provide R&D support for SS products;
- Provide employment and creation of highly skilled labour;
- Spillover effects to other ancillary support eco-system;
- Reducing loss of foreign exchange (government is pushing for this) which is a current issue with depreciation of the Ringgit;
- Contribute to the Malaysian economy as a large consumer of utilities; and
- Economic development in Malaysia should be enjoyed by the people of Malaysia and not be extended to others who benefit through unfair means of competition of dumping and taking market share.

Based on the foregoing, it would not be against public interest to initiate the investigation and impose anti-dumping duties where it merits and where it has been found that these the imports from the alleged countries have indeed been unfairly dumping in the Malaysian market and preventing the proper development of the stainless steel industry in Malaysia.