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Director Operations 1
Anti-Dumping Commission
1010 La Trobe Street
Melbourne VIC 3008

Dumping investigation – Rod in coils exported from Indonesia

Dear Director,

This submission is made by PT Gunung Raja Paksi (GRP) in response to the Anti-Dumping Commission's (the Commission) remote verification report and associated calculations used to determining a preliminary dumping margin in respect of GRP's export of rod in coils.

GRP notes that Anti-Dumping Notice No. 2015/02 advises of the extension to the statement of essential facts to 1 March 2015, to enable the completion of offsite verification of exporter information from Indonesia. GRP appreciates the opportunity to properly explain and outline its accounts and production processes to the Commission prior to finalisation of the preliminary findings.

Raw material cost

In the GRP visit report, the Commission notes that its preference is to 'use a billet cost relating only to the billet used.' Accordingly the Commission revised the submitted raw material cost by calculating 'the cost of billet used from the COGS worksheet for PT Gunung and divided this by the total tonnes produced on the two production lines.'

GRP understands and accepts that the methodology proposed by the Commission is reasonable. However, the actual quarterly volumes used in the denominator are incorrect as they do not accurately account for the total tonnes produced on the two production lines. The relevant volume missing from the Commission's calculations relate to [REDACTED] generated from the production process on the two production lines.

The monthly volume of [REDACTED] generated on the WR1 and WR2 production lines are clearly identified in the worksheet 'Mutasi BRJ 2013' at rows 85 and 86 and should be included in

the total tonnage used to derive the quarterly unit billet costs. This worksheet was used by the Commission to calculate the revised billet cost.

As with [REDACTED], GRP records the volume of [REDACTED] generated from production against each production line within the company. The total monthly volume of [REDACTED] across the company is identified in the worksheet 'Mutasi BRJ 2013' at row 88. The actual amounts generated across the various production lines are identified in the inventory reports which are contained in Confidential Attachment A.

Documentation to support [REDACTED] being generated from GRP's main production processes is contained in **Confidential Attachment A**. This includes inventory reports covering the entire investigation period for each of its individual production lines.

Like other producers and exporters of wire rod, GRP [REDACTED] [REDACTED]. To demonstrate this, GRP submits a [REDACTED] [REDACTED] (**Confidential Attachment B**), [REDACTED] [REDACTED] [REDACTED].

Conclusion

GRP requests the Commission to review its preliminary calculation of the quarterly billet costs to with a view to taking account of [REDACTED] generated on the two relevant production lines where billet is used.

GRP is available and prepared to provide further evidence and information required by the Commission to be satisfied of the appropriate billet cost.

Yours sincerely

John Bracic