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**Government of India**  
**Department of Commerce**  
**Ministry of Commerce & Industry**  
**(Directorate General of Anti-Dumping & Allied Duties)**  
**Udyog Bhawan, New Delhi**

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Dated the 12th April 2010

**INITIATION NOTIFICATION**

**Sub:- Initiation of Anti Dumping investigation on imports of Hot Rolled Flat Products of Stainless Steel originating in or exported from European Union, Korea RP, South Africa, Taiwan and USA.**

**No.14/12/2010-DGAD** – JSL Limited, New Delhi have filed an application before the Designated Authority (herein after referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended in 1995 and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on dumped articles and for determination of injury) Rules, 1995 (herein after referred to as Rules) for initiation of anti dumping investigation concerning alleged dumping of Hot Rolled Flat Products of Stainless Steel of ASTM Grade 304 with all its variants (hereinafter referred to as subject goods) originating in or exported from European Union, Korea, South Africa, Taiwan and USA (hereinafter referred to as subject countries) .

2. AND WHEREAS, the Authority finds that sufficient prima facie evidence of dumping of subject goods by the subject countries, injury to the domestic industry and causal link between the dumping and injury exist, the Authority hereby initiates an investigation into the alleged dumping, and consequential injury to the domestic industry in terms of the Rules 5 of the said Rules, to determine the existence, degree and effect of alleged dumping and to recommend the amount of antidumping duty, which if levied would be adequate to remove the injury to the domestic industry.

**Domestic Industry**

3. The application has been filed by JSL Limited, New Delhi. This producer has provided information relevant to the present investigation. The production of the applicant company constitutes more than 50 % of total Indian production. The Authority has determined that (a) production of the applicant company constitutes a

major proportion in Indian production and ; (b) the application has been made by or on behalf of the domestic industry.

4. The Authority after examining the above, prima facie determines that the petitioner constitutes domestic Industry within the meaning of the rule 2(b) read with 2(d) and the application satisfies the criteria of standing in terms of Rule 5 of the Rules .

### **Product under consideration**

5. The product under investigation in the present case is Hot Rolled Flat Products of Stainless Steel of ASTM Grade 304 with all its variants including products of equivalent specifications in other standards like UNS, IS, Chinese DIN, JIS, BIS, EN. Etc.

6. The subject goods are used for manufacture of process equipments, re-rolling, reactor vessels, material handing equipments, railways, pipes & tubes, automotive components, rolled formed sections, architecture, building & construction, industrial fabrication etc.

7. The subject goods is classified under Chapter Heading 7219.11, 7219.12, 7219.13, 7219.14, 7219.21, 7219.22, 7219.23, 7219.24, 7220.11 and 7220.12 of Customs Tariff Act. The classification is however only indicative and in no way binding on the scope of the present investigation.

### **Like Articles**

8. The applicant has claimed that the goods produced by them are “like articles” to the goods originating in or exported from the subject countries. The subject goods produced by the domestic industry and imports from subject countries are comparable, technically and commercially substitutable in terms of physical, technical specifications, functions or end-uses. Therefore, for the purpose of investigation, the Hot Rolled Flat Products of Stainless Steel produced by the applicant are being treated as like articles of Hot Rolled Flat Products of Stainless Steel imported from subject countries within the meaning of the Anti Dumping Rules.

### **Countries involved**

9. The countries involved in the present investigation are European Union, Korea RP, South Africa, Taiwan and USA.

### **Dumping**

## **Normal Value**

10. The petitioner has submitted details of the published prices of the subject goods from MEPS Stainless Steel Review for EU, Korea RP, Taiwan & USA. It is also submitted that the prices of plates are little higher than the prices of coils but the domestic industry on conservative basis has taken the coils prices for the determination of normal value in each of the subject countries (except South Africa).

In the absence of the availability of published information for South Africa, the normal value for South Africa has been constructed on the basis of the cost incurred by the domestic industry after adding reasonable amount of profit @5%.

11. For the purpose of initiation, the Authority has prima-facie considered the normal value of subject goods in subject countries as claimed by the petitioner.

## **Export Price**

12. Since import data from DGCI&S is not available for the whole Period of Investigation, as stated by the petitioner, the export prices have been claimed on the basis of transaction-wise import data obtained from Cybex Exim Solutions Pvt. Limited. Adjustments have been claimed on ocean freight, marine insurance, port handling and commission to arrive at the export price at ex-factory level. The Authority notes that there is sufficient prima facie evidence of the net export price for the subject goods from the subject countries.

## **Dumping Margin**

13. There is sufficient evidence that the normal values of the subject goods in the subject countries are significantly higher than the net export prices indicating prima-facie that the subject goods are being dumped by the exporters from the subject countries. Normal value and export price have been compared at ex-factory level which shows significant dumping margin in respect of subject countries.

## **Injury and Causal Link**

14. The petitioner has furnished information on various parameters relating to material injury. The applicant has furnished evidence regarding the injury having taken place as a result of the alleged dumping in the form of fall in capacity utilization, return on capital employed and profitability because of increased volume of dumped imports, price undercutting and price underselling on account of dumped imports from subject countries. There is sufficient prima-facie evidence of the material injury being

suffered by the domestic industry and the same being caused by dumped imports from subject countries.

### **Period of Investigation**

15. The period of investigation (POI) is 1st April, 2008 to 30th September 2009 (18 months) for the purpose of present investigation. The injury investigation period will however cover the periods April,2005-March,06, April,2006–March,2007, April,2007-March,2008 and the POI.

### **Submission of information**

16. The exporters and importers known to be concerned and domestic industry are being informed separately to enable them to file all information relevant in the form and manner prescribed. Any other party interested to participate in the present investigation may write to:

**The Designated Authority  
(Directorate General of Anti-Dumping & Allied Duties)  
Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Udyog Bhavan, New Delhi-110011.**

### **Time limit**

17. Any information relating to this investigation should be sent in writing so as to reach the Authority at the above address not later than 40 days from the date of publication of this notification. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record their findings on the basis of the facts available on record in accordance with the Rules supra.

### **INSPECTION OF PUBLIC FILE**

18. In terms of rule 6(7) any interested party may inspect the public file containing non-confidential versions of the evidence submitted by other interested parties.

19. All interested parties shall provide a confidential and non-confidential summary in terms of Rule 7 (2), for the confidential information provided as per Rule 7 (1) of the Rules supra.

20. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may record its findings on the basis of the facts available to it and make such recommendations to the Central Governments as deemed fit.

**(P.K. Chaudhery)**  
**The Designated Authority**