

# Government of India Ministry of Commerce

New-Delhi, the 25th September, 2002

## INITIATION NOTIFICATION

**Subject:** Initiation of anti-dumping investigations concerning imports of Hot Rolled Coils, Sheets, Plates and Strips originating in or exported from South Africa, Romania, Venezuela, Saudi Arabia, European Union, Australia, Canada, and Singapore.

**No. 14/18/2002- DGAD:** M/s Steel Authority of India Ltd., Hindustan Times Building, New Delhi and M/s Essar Steel Ltd., Phiroze Gandhi Road, New Delhi, have filed a petition before the Designated Authority (hereinafter referred to as the Authority) in accordance with the Customs Tariff (Amendment) Act, 1995 and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 alleging dumping of Hot Rolled Coils, Strips, Sheets and Plates originating in or exported from South Africa, Romania, Venezuela, Saudi Arabia, European Union, Australia, Canada and Singapore and have requested for initiation of anti-dumping investigations and levy of anti-dumping duties.

**1. Product Involved:** The product under investigation in the present case is Hot Rolled Coils, Sheets, Plates and Strips of the following description:-

"Hot Rolled Coils, Sheets/Plates/Strips of a width of 600mm or more, not clad, plated or coated."

The size/technical specifications are as follows:-

1.5 mm to 20 mm for coils  
less than and upto 5 mm for sheets  
5 mm and above for plates  
Grade-all commercial grades

The subject goods described as Hot Rolled Coils, Sheets, Plates and Strips are classified under Customs sub-heading nos. 7208.10 (all sub heads), 7208.25 (all sub heads), 7208.26 (all sub heads), 7208.27 (all sub heads), 7208.36 (all sub heads), 7208.37 (all sub heads), 7208.38 (all sub heads), 7208.39 (all sub heads), 7208.40 (all sub heads), 7208.51 (all sub heads), 7208.52 (all sub heads), 7208.53 (all sub heads), 7208.54 (all sub heads), 7208.90 (all sub heads), 7211.13, 7211.14 (all sub heads),

7211.19 (all sub heads), 7225.11, 7225.19, 7225.20 (all sub heads), 7225.30 (all sub heads) and 7225.40 (all sub heads) of Chapter 72 of the Customs Tariff Act, 1975. The classification is however indicative only and in no way binding on the scope of the present investigations.

**2. Domestic Industry Standing:** The petitioners have stated that the following companies are the producers of the subject goods in India:-

- a. M/s Steel Authority of India Ltd.
- b. M/s Essar Steel India Ltd.
- c. M/s Tata Iron and Steel Company Ltd.
- d. M/s Jindal Vijaynagar Steel Ltd.
- e. M/s Ispat Industries Ltd.

M/s, Steel Authority of India Ltd and M/s Essar Steel India Ltd have filed the petition and is hereinafter referred to as the petitioners. The petitioners account for more than 58.45% of the total domestic production and therefore satisfies the standing to file the present petition.

**3. Country(ies) Involved:** The countries/territory involved in the present investigations are South Africa, Romania, Venezuela, Saudi Arabia, European Union, Australia, Canada and Singapore (referred to as subject countries/territory hereinafter).

**4. Like Goods:** The petitioner has claimed that goods produced by it are like articles to the goods originating in or exported from South Africa, Romania, Venezuela, Saudi Arabia, European Union, Australia, Canada and Singapore. Goods produced by the petitioners are being treated as Like Articles to the goods imported from the subject countries/territory within the meaning of the Rules.

**5. Dumping and Dumping Margin:**

Normal Value:

The calculation of the normal values of the subject goods during the period of investigation have been based on information provided on the cost of production of the subject goods in the subject countries/territory as published in a report of 2001 by internationally reputed steel analyst firms namely, CRU International Ltd., and World Steel Dynamics.

The Authority notes that Romania is stated in the petition to be a non-market economy. While, for the purpose of initiation, the normal value in this country has

been considered based on the cost of production of the subject goods in the said country as published in the report of 2001 by CRU International Ltd., World Steel Dynamics, and an internationally reputed steel analyst, the Authority proposes to examine the claim of the petitioner in the light of para (7) and (8) of Annexure II of the Anti-Dumping Rules as amended.

**Export price:**

The petitioners have stated that the subject countries are exporting the subject products into India at prices which are significantly lower than their normal values. The average cif prices are based on data published by DGCI&S and JPC and have been adjusted to arrive at the ex-works price. Considering the normal value and export prices the dumping margins are significantly higher than the de-minimis limit.

There is sufficient evidence that the normal values of the product under consideration in South Africa, Romania, Venezuela, Saudi Arabia, European Union, Australia, Canada and Singapore are significantly higher than the prices at which it has been exported to India, indicating, *prima facie*, that the subject goods are being dumped by the exporters from South Africa, Romania, Venezuela, Saudi Arabia, European Union, Australia, Canada and Singapore.

**6. Injury and Causal Link:** The various economic indicators relating to domestic industry such as production, sales, profit/loss etc. collectively and cumulatively, indicates that the domestic industry has suffered injury. There is sufficient *prima facie* evidence that the imports of the product under consideration have caused material injury to the domestic industry.

**7. Initiation of Anti-Dumping Investigation:** In view of the foregoing paragraph, the Designated Authority initiates anti-dumping investigations to determine the existence, degree and effect of alleged dumping of the subject goods originating in or exported from the subject countries/territory.

**8. Period of Investigation:** The period of investigation for the purpose of the present investigations is 1st April 2000 to 30th September, 2001 (18 months).

**9. Submission of Information:** The exporters in the subject countries and the importers in India known to be concerned are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Designated Authority, Ministry of Commerce, Directorate of Anti-Dumping, Udyog Bhavan, New-Delhi –110011. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within the time limit set out below.

**10. Time Limit:** Any information relating to the present investigations should be sent in writing so as to reach the Authority at the address mentioned above not later than forty days from the date of publication of this notification. The known exporters and importers, who are being addressed separately, are, however, required to submit the information within forty days from the date of letter addressed to them separately. It may kindly be noted that no requests whatsoever shall be entertained for extension of the above-stated time limit for submission of the required information.

11. Anti-dumping investigations being a time bound exercise, the Designated Authority may record its findings on the basis of facts available on record in accordance with the Rules supra, if no response is received within the time stipulated or the information is incomplete in any respect.

**12. Inspection of Public File:** In terms of Rule 6(7), any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties.

13. In case where an interested party refuses access to, or 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 Government as deemed fit.

(L.V.SAPTHARISHI)  
DESIGNATED AUTHORITY