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**F. No. 7/43/2020-DGTR  
Government of India  
Department of Commerce  
Ministry of Commerce & Industry  
(Directorate General of Trade Remedies)  
4th Floor, Jeevan Tara Building, Parliament Street, New Delhi – 110001**

**Case No- AD-SSR 24/2020**

**INITIATION NOTIFICATION**

Dated: 19<sup>th</sup> February, 2021

**Subject: - Initiation of Sunset Review investigation concerning imports of Seamless Tubes, Pipes & Hollow Profiles of Iron, Alloy or Non-Alloy Steel originating in or exported from China PR-reg.**

7/43/2020-DGTR: Having regards to the Customs Tariff Act 1975, as amended from time to time (hereinafter also referred to as the Act) and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules 1995 thereof, as amended from time to time (hereinafter also referred to as the Rules or AD Rules), M/s ISMT Limited and Jindal Saw Limited (hereinafter referred to as the “applicants”) have filed an application before Designated Authority (hereinafter referred to as the “Authority”) for initiation of sunset review investigation for extension and enhancement of anti-dumping duty on imports of “Seamless tubes, pipes & hollow profiles of iron, alloy or non-alloy steel (other than cast iron and stainless steel), whether hot finished or cold drawn or cold rolled of an external diameter not exceeding 355.6 mm or 14” OD” (hereinafter referred to as the “subject goods” or “product under consideration”) originating in or exported from China PR (hereinafter referred to as the “subject country”).

2. The applicants have alleged that dumping of the subject goods originating in or exported from the subject country has continued even after the imposition of anti-dumping duty. The applicants have also claimed that there has been significant increase in the volume of imports despite imposition of the duty and the performance of the domestic industry has been adversely affected because of dumping and consequent injury. The applicants have further claimed that there is a likelihood of continuation of dumping of the subject goods originating and exported from the subject county and consequent injury to the domestic industry if the existing duty is allowed to expire.

3. In terms of Section 9A (5) of the Act, anti-dumping duty imposed shall, unless revoked earlier, cease to have effect on expiry of five years from the date of such imposition and the Authority is required to review whether the expiry of duty is likely to lead to continuation or recurrence of dumping and injury. In accordance with the same, the Authority is required to review, on the basis of a duly substantiated request made by or on behalf of the domestic industry, as to whether the expiry of duty is likely to lead to continuation or recurrence of dumping and injury.

4. The applicants have provided relevant information in the petition. The petition has been examined for sufficiency of information and evidence of dumping and consequent injury to justify initiation of investigation. Since the petition is duly documented and contains sufficient prima facie evidence of dumping and consequent injury as well as sufficient prima facie evidence of likelihood of dumping and injury if the existing duty is allowed to expire, the Authority initiates the sunset review investigation of the anti-dumping duty already imposed on the imports of the subject goods originating and exported from the subject country.

#### **Background of previous anti-dumping duty investigation**

5. An anti-dumping investigation concerning imports of the subject goods from the subject country was initiated on 8th July, 2015 by the Authority. The Authority recommended provisional anti-dumping duty vide preliminary findings dated 31st March, 2016 and the Ministry of Finance imposed provisional duty vide Notification No. 18/2016-Customs (ADD), dated 17th May, 2016. Thereafter, vide final findings No. 14/2/2015-DGAD dated 9th December 2016, the Authority recommended imposition of definitive anti-dumping duties on imports of the subject goods from the subject country, which were implemented vide Notification No. 7/2017-Customs (ADD) dated 17th February, 2017. The said duties were levied for a period of 5 years and are set to expire on 16th May, 2021.

#### **Product under Consideration**

6. The scope of product under consideration in the original investigation was as follows: -

*“Seamless tubes, pipes & hollow profiles of iron, alloy or non alloy steel (other than cast iron and stainless steel), whether hot finished or cold drawn or cold rolled of an external diameter not exceeding 355.6 mm or 14’’ OD”*

*The following were excluded from the scope of product under consideration.*

*“i. Seamless Pipes & Tubes made of cast iron and stainless steel.*

*ii. Seamless alloy-steel pipes, tubes and hollow profiles of specifications of ASTM A213/ASME SA 213 and ASTM A335/ASME SA 335 or equivalent BIS/DIN/BS/EN or any other equivalent specifications.*

*iii. Non - API and Premium Joints / Premium Connections / Premium Threaded Tubes & Pipes as prescribed under customs notification no. 12/12012 dated 17th March 2012 at serial number 356.*

*iv. All 13 Chromium (13CR) Grade Tubes and Pipes.*

*v. Drill Collars.*

*vi. High pressure seamless steel pipe/tube used for manufacturing gas cylinders by producers approved by the Chief Controller of Explosives, Petroleum and Explosives Safety Organisation, Government of India.”*

7. Since the present application is for sunset review, the scope of the product under consideration remains the same as defined in the previous finding.
8. The product is classified under Chapter 73 in heading 7304. The customs classification is only indicative and is not binding on the scope of the present application and the proposed review investigation.

#### **Product control numbers (PCN)**

9. The applicants have proposed adoption of a Product Control Number (PCN) system on the basis of different types and uses of the product under consideration. In the Final Findings Notification No. 14/2/2015-DGAD dated 9th December 2016, the Authority had adopted certain PCNs. Since the present investigation is the sunset review of the existing anti-dumping duty, the Authority proposes to accept the same PCN methodology in the present investigation as well. Any comments with regard to the proposed PCN may be filed within 14 days from the date of initiation of this investigation.

#### **Like Article**

10 The applicants have claimed that the product under consideration has been investigated in the past and there are no known differences in the subject goods produced by domestic industry and that exported from the subject country. It has been stated that there is no significant difference in the subject goods produced by the applicants and those exported from the subject country. The applicants claim that the two are technically and commercially substitutable. For the purpose of the proposed investigation, the subject goods produced by the applicants are being treated by the Authority as ‘like article’ to the subject goods being originating in or exported from the subject country.

### **Domestic Industry & Standing**

11. The application has been filed by M/s ISMT Limited and M/s Jindal Saw Limited. As per the evidence available on record, the production of M/s ISMT Limited and M/s Jindal Saw Limited accounts for a major proportion in the total domestic production of the like article. The applicants have claimed that they have neither imported the subject goods from the subject countries nor are they related to any exporter or producer of the subject goods in the subject countries or to an importer of the subject goods in India. On the basis of the information available, the Authority is satisfied that the application has been made 'by or on behalf of the domestic industry' in terms of Rule 2 (b) and Rule 5(3) of the Rules.

### **Subject Country**

12. The subject country involved in the present sunset review investigation is China PR.

### **Period of Investigation**

13. The period of investigation in the present investigation is the period from 1st April, 2019 to 30<sup>th</sup>, September, 2020 (18 months). The period of investigation is taken as 18 months instead of normal period of 12 months so that the POI is within 6 months from the date of initiation. The injury analysis period will cover the period of investigation and the preceding three years 2016-17, 2017-18 and 2018-19. The authority would also examine the post POI data of 6 months of the petitioner and other interested parties to examine whether the expiry of existing ADD duties are likely to lead to continuation or recurrence of dumping and injury to the Domestic Industry.

### **Normal Value for China PR**

14. The Applicants have claimed that China PR should be treated as a non-market economy and the normal value should be determined in terms of paragraph-7 of Annexure I of the Rules. The applicants have claimed normal value for China PR on the basis of the price actually payable in India by considering cost of production in India, after addition for selling, general & administrative expenses and reasonable profits and the same has been considered appropriate at this stage.

### **Export Price for China PR**

15. Export price of the subject imports has been determined by considering volume and value of imports based on DGCI&S data. Price adjustments have been made on account of Ocean freight, Marine insurance, Commission, Bank charges, Port expenses, Inland freight and VAT refund.

### **Dumping Margin**

16. The normal value and the export price have been compared at ex-factory level, which prima facie shows dumping margin is above the de-minimis level in respect of the PUC from the subject countries. There is sufficient prima facie evidence that the PUC from subject countries is being dumped into the Indian market by the exporters from the subject countries, thus indicating likelihood of continued dumping so as to justify initiation of investigation.

### **Likelihood of continuation or recurrence of Injury**

17. There is prima facie evidence that the product under consideration has been exported from the subject country at dumped prices, thus showing continued dumping of the product; the dumping margin and injury margin are positive and significant; the domestic industry has suffered continued injury and injury to the domestic industry is likely to intensify in the event of cessation of anti-dumping duty.

### **Initiation of Sunset Review Investigation**

18. On the basis of the duly substantiated application of the applicants, and having satisfied itself on the basis of the prima facie evidence submitted by the domestic industry, substantiating the likelihood of continuation/ recurrence of dumping and injury, and in accordance with Section 9A(5) of the Act read with Rule 23 (1B) of the Rules, the Authority hereby initiates a sunset review investigation to review the need for continued imposition of the duties in force in respect of the subject goods, originating in or exported from the subject country and to examine whether the expiry of such duty is likely to lead to continuation or recurrence of dumping and injury to the domestic industry.

### **Procedure**

19. The review investigation will cover all aspects of the final findings published vide Notification No. No. 14/2/2015-DGAD dated 9th December, 2016 recommending imposition

of anti-dumping duty on the imports of subject goods from subject country. The Authority will also undertake likelihood analysis of dumping and injury as required.

20. The provisions of Rules 6, 7, 8, 9, 10, 11, 16, 17, 18, 19 and 20 of the Rules supra shall be mutatis mutandis applicable in this review.

### **Submission of Information**

21. In view of the special circumstances arising out of COVID-19 pandemic, all communication should be sent to the Authority via email at the email addresses [adg15-dgtr@gov.in](mailto:adg15-dgtr@gov.in), [adv11-dgtr@gov.in](mailto:adv11-dgtr@gov.in), [dd18-dgtr@gov.in](mailto:dd18-dgtr@gov.in), and [ac11-dgtr@gov.in](mailto:ac11-dgtr@gov.in).

22. The known producers/exporters in the subject country, its government through its embassy in India, the importers and users in India known to be connected with the subject goods and the domestic industry are being informed separately to enable them to file all the relevant information in the form and manner prescribed within the time limit set below.

23. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within in the time limit set out below.

24. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to other interested parties.

### **Time Limit**

25. In view of the special circumstances arising out of COVID-19 pandemic, any information relating to the present investigation should be sent to the Authority via email at the email addresses [adg15-dgtr@gov.in](mailto:adg15-dgtr@gov.in), [adv11-dgtr@gov.in](mailto:adv11-dgtr@gov.in), [dd16-dgtr@gov.in](mailto:dd16-dgtr@gov.in), and [ac11-dgtr@gov.in](mailto:ac11-dgtr@gov.in) within 30 days from the date of the receipt of the notice as per rule 6 (4) of the Rules. It may, however, be noted that in terms of explanation of the said Rules, the notice calling for information and other documents shall be deemed to be have been received within one week from the date on which it was sent by the Authority or transmitted to the appropriate diplomatic representative of the exporting country. If no information is received within the prescribed time limit or the information received is incomplete, the

Authority may record its finding on the basis of the facts available on records in accordance with the Rules.

26. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant investigation and file their questionnaire response/submissions within the above time limit.

**Submission of information on confidential basis**

27. Any party making any confidential submission or providing information on confidential basis before the Authority is required to simultaneously submit a non-confidential version of the same in terms of Rule 7(2) of the Rules and the Trade Notices issued in this regard. Failure to adhere to the above may lead to rejection of the response/submissions.

28. The parties making any submission (including Appendices/Annexures attached thereto) before the Authority, including questionnaire response, are required to file Confidential and Non-Confidential versions separately.

29. The “Confidential” or “Non-confidential” submissions must be clearly marked as “Confidential” or “Non-confidential” at the top of each page. Any submission made without such marking shall be treated as non-confidential by the Authority and the Authority shall be a liberty to allow the other interested parties to inspect such submissions.

30. The confidential version shall contain all information which is by nature confidential and/or other information which the supplier of such information claims as confidential. For information which is claimed to be confidential by nature or the information on which confidentiality is claimed because of other reasons, the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed.

31. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out (in case indexation is not feasible) and summarized depending upon the information on which confidentiality is claimed. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis.

However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.

32. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or if the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.

33. Any submission made without a meaningful non-confidential version thereof or without good cause statement on the confidentiality claim shall not be taken on record by the Authority.

34. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorization of the party providing such information.

#### **Inspection of Public File**

35. In terms of Rule 6(7) of the Rules, any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties. The modality of maintaining public file in electronic mode is being worked out.

#### **Non-cooperation**

36. 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.



**(Anant Swarup)**  
**Joint Secretary & Designated Authority**