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Government of India  
Department of Commerce  
Ministry of Commerce & Industry  
Directorate General of Trade Remedies  
4th Floor, Jeevan Tara Building, 5 Parliament Street, New Delhi -110001

Dated: 28<sup>th</sup> June 2021

**Initiation Notification  
(Case No. AD (OI)-07/2021)**

**Subject: Initiation of Anti-dumping investigation concerning imports of Electrogalvanized Steel from Korea RP, Japan and Singapore.**

1. M/s American Precoat Speciality Private Limited (hereinafter referred to as 'the petitioner' or 'the applicant') has filed an application before the Designated Authority (hereinafter also referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter also referred to as the 'Act') and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped articles and Determination of injury) Rules, 1995 as amended from time to time (hereinafter referred to as the 'Rules') for initiation of anti-dumping investigation concerning imports of 'Electrogalvanized Steel' (hereinafter also referred to as the 'subject goods' or 'product under consideration') originating in or exported from Korea RP, Japan and Singapore (hereinafter also referred to as the 'subject countries').
2. The Applicant has alleged that material retardation is being caused to the establishment of the domestic industry due to dumped imports of subject goods from the subject countries, and has requested for imposition of anti-dumping duty on the import of the subject goods from the subject countries.

**Product under consideration**

3. The product under consideration ('PUC') is 'Flat rolled products of hot rolled or cold rolled steel continuously electrolytically plated or coated with zinc, with or without alloying elements'. The product under consideration is commonly known as Electrogalvanized steel.
4. The product under consideration may be either of alloy or non-alloy steel, whether or not of prime or non-prime quality. The product under consideration may be in coils or not in coils form. The product under consideration includes all types of Electrogalvanized steel whether or not coated, passivated, pre-treated, pre-painted, colour coated, thin organic

coated, chromated, phosphated, printed, whether or not corrugated or profiled, and whether or not having anti-fingerprint treatment.

5. The following are excluded from the scope of product under consideration:
  - i. Flat rolled steel products that are plated or coated with alloy of aluminium and zinc.
  - ii. Flat rolled steel products that are plated or coated with alloy of zinc and nickel with nickel being aimed at a minimum 11%.
  - iii. Hot-dip galvanized flat rolled steel products.
  - iv. Tin-mill flat rolled steel products.
6. The intended end use of the product under consideration is for protection from corrosion and is majorly used in the manufacturing of electronic appliances, auto applications, consumer electronics, furniture, HVAC, roofing and siding, ceiling grid, construction, office equipment etc.
7. The product under consideration is classified under HS Codes 7210, 7212, 7225 and 7226 of Schedule I of the Customs Tariff Act, 1975. However, imports of the product under consideration have also been made under HS Codes 7209 & 7211 of Schedule I of the Customs Tariff Act, 1975.

#### **Like Article**

8. The applicant has claimed that there are no differences in quality, output and performance of the subject goods imported into India from the subject countries and goods manufactured by the applicant. The subject goods produced by the applicant and those imported from the subject countries are comparable in all relevant parameters such as physical characteristics, manufacturing process, technology, functions, uses, etc. The domestically manufactured product and the imported product are being used interchangeably by Indian consumers.
9. The applicant has claimed that there are no known major differences in the production process employed by the applicant and the exporters from the subject countries. Therefore, for the purposes of the present investigation, the Authority treats the subject goods produced by the applicant in India as “like article” to the product under consideration being imported from the subject countries.

#### **Domestic Industry and Standing**

10. The Application has been filed by M/s American Precoat Speciality Private Limited as the domestic industry.

11. The applicant company has claimed that they are the sole producer of subject goods in India and a new entrant in the market having started commercial production of the subject goods in July 2019. Thus, as per the evidence available on record, the production of the applicant company constitutes 100% of Indian domestic production. The Authority, therefore, determines that the applicant company constitutes eligible domestic industry within the meaning of Rule 2 (b) of Anti-dumping Rules and the application satisfies the criteria of standing in terms of Rule 5 (3) of the Anti-dumping Rules.

### **Countries involved**

12. The present investigation is in respect of dumping of the product under consideration from Korea RP, Japan and Singapore.

### **Basis of alleged dumping**

#### **a) Normal Value**

13. The applicant has submitted that they do not have information regarding the cost of production and domestic selling price for subject goods in Korea RP, Japan & Singapore. The applicant has claimed that product under consideration is classified under multiple HS codes and therefore the applicant does not have accurate information regarding the export price of subject goods from subject countries to an appropriate third country for determination of normal value. Therefore, the normal value for the subject countries has been estimated by considering prices of raw materials and conversion cost with reasonable profit on the basis of best available information provided by the applicant.

#### **b) Export Price**

14. The applicant has arrived at the export price at ex-factory level from the CIF import price obtained from DGCI&S import statistics after making certain adjustments. Adjustments have been claimed on account of ocean freight, insurance, inland freight, handling charges, commission/trader profit and bank charges to arrive at export price at ex-factory level.

### **Dumping Margin**

15. The normal value and ex-factory export price have been compared which shows significant dumping from each of the subject countries. There is sufficient *prima facie* evidence that normal values of the subject goods in the subject countries are significantly higher than the ex-factory export price, indicating, *prima facie*, that the subject goods are being dumped into the Indian market by the exporters from the subject countries.

16. There is sufficient evidence of significant dumping margins to justify initiation of antidumping investigation.

#### **Evidence of Injury and Causal Link**

17. Information furnished by the applicant has been considered for assessment of injury to the domestic industry. The applicant has claimed that dumping of the product under consideration is materially retarding the establishment of the domestic industry. The production, sales, capacity utilization and market share of the domestic industry is quite low considering the demand for the product under consideration in the country and considering that the domestic industry commenced commercial production in July 2019. The applicant has claimed that their actual performance during the POI falls short of the projections expected in project report. Further, the prevalence of price undercutting during the entire injury period and POI especially when import prices of PUC are even lower than the raw material prices, *prima facie* establishes the causality of alleged dumped imports with applicant's subdued performance.
18. From the foregoing, the Authority *prima facie* finds sufficient evidence of dumping of the subject goods originating in or exported from the subject countries, injury to the domestic industry and causal link between the alleged dumping and injury sufficient to justify initiation of an anti-dumping investigation in terms of Rule 5 of the Anti-dumping 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.

#### **Initiation of anti-dumping investigation**

19. On the basis of the duly substantiated written application by or on behalf of the domestic industry, and having satisfied itself, on the basis of the *prima facie* evidence submitted, about dumping of the subject goods originating in or exported from the subject countries, injury to the domestic industry and causal link between such alleged dumping and injury, and in accordance with Section 9A of the Act read with Rule 5 of the Rules, the Authority, hereby, initiates an investigation to determine the existence, degree and effect of any alleged dumping in respect of the subject goods originating in or exported from the subject countries and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the injury to the domestic industry.

#### **Period of Investigation (POI)**

20. The period of investigation for the purpose of the present investigation is from 1<sup>st</sup> January 2020 to 31<sup>st</sup> December 2020. The injury investigation period for the present investigation will be 2017-18, 2018-19, 2019-20 and the POI.

### **Submission of information**

21. In view of the special circumstances arising out of COVID-I9 pandemic, all communication should be sent to the Designated Authority via email at the email addresses adg11-dgtr@gov.in, dir13-dgtr@gov.in, dd11-dgtr@gov.in and dd16-dgtr@gov.in. It should be ensured that the narrative part of the submission is in searchable PDF / MS Word format and data files are in MS Excel format.
22. Any other interested party may also make its submissions relevant to the investigation in the form and manner prescribed within the time-limit set out below on the email address mentioned above.
23. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other parties.
24. 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.

### **Time limit**

25. Any information relating to the present investigation should be sent to the Designated Authority via email at the email addresses adg11-dgtr@gov.in, dir13-dgtr@gov.in, dd11-dgtr@gov.in and dd16-dgtr@gov.in within thirty days from the date on which it was sent by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting country as per Rule 6(4) of the Rules. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record its findings on the basis of the facts available on record 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 matter and file their questionnaire responses within the above time limits.
27. Interested parties are further advised to keep a regular watch on the official website of the Designated Authority <https://www.dgtr.gov.in> for any updated information with respect to this investigation.

### **Submission of information of Non-Confidential basis**

28. 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.

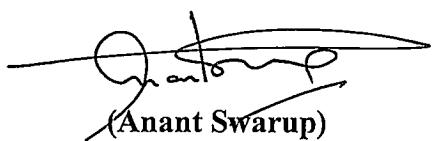
29. The parties making any submission (including Appendices/Annexures attached thereto), before the Authority including questionnaire response, are required to file Confidential and Non-Confidential versions separately:
30. The “confidential” or “non-confidential” submissions must be clearly marked as “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 at liberty to allow the other interested parties to inspect such submissions.
31. 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 are 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
32. 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, parties submitting the confidential information may indicate that such information is not susceptible to summarization; a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.
33. 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 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.
34. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim may not be taken on record by the Authority.
35. 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**

36. A list of interested parties will be uploaded on DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions to all other interested parties since the public file will not be accessible physically due to ongoing global pandemic.

**Non-cooperation**

37. 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 declare such interested party as non-cooperative and 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