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Government of India**

**Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Trade Remedies)
4th Floor, Jeewan Tara Building, 5, Parliament Street, New Delhi**

Dated: 12th December, 2018

INITIATION NOTIFICATION

(Mid Term Review Investigation)

Sub: - Initiation of Mid-term Review (MTR) investigation with regard to the anti-dumping duties in force on the imports of “Low Ash Metallurgical Coke” originating in or exported from Australia and China PR.

1. No. 7/37/2018-DGAD: Whereas having regard to the Customs Tariff Act, 1975, as amended from time to time, (hereinafter referred to as Act) and the Customs Tariff (Identification, Assessment and Collection of Duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended from time to time, (hereinafter referred to as Rules), the Designated Authority (hereinafter referred to as Authority), notified its final findings vide Notification No. 14/9/2015-DGAD dated 20th October 2016 and recommended imposition of definitive anti-dumping duty ("ADD") on import of “Low Ash Metallurgical Coke” (hereinafter referred to as “subject goods” or “ the product under consideration”) originating in or exported from Australia and China PR (hereinafter referred to as subject countries) and the definitive anti-dumping duty was imposed by the Central Government vide Customs Notification No. 53/2016- Customs (ADD) dated 25th November 2016.

A. Request for initiation of Mid Term Review

2. Request for initiation of Mid Term Review has been filed by following sets of applicants:

- a)** M/s. Mukand Ltd, M/s. Kalyani Steels Limited, M/s. Kirloskar Ferrous Industries Limited and M/s. Rashmi Metaliks Limited.
- b)** M/s. Indian Ferro Alloys Producers Association.
- c)** M/s. Orrisa Metaliks Private Limited and M/s. Neo Metaliks Limited.

3. All above mentioned parties are importers and users of subject goods (collectively referred to as “the applicants”). Applicants have submitted an application requesting for initiation of a review of the anti-dumping duties imposed on the imports of the subject goods from the subject countries in accordance with section 9A of the Customs Tariff Act 1975 read with Rule 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995. They have claimed that the circumstances that were prevalent during the period of investigation of the original investigation have changed significantly leading to a situation where the existing antidumping duties are no longer warranted.

B. Grounds for review

4. The present review application has been submitted on the following ground:
 - a)** One of the major producers of subject goods in the original anti-dumping investigation, is in insolvency proceeding and incurring losses due to internal issues and one of the supporters in the original anti-dumping investigation, has been ordered to liquidate.
 - b)** That other domestic merchant producers are performing well in terms of economic parameters.
 - c)** That the landed value of imports of subject goods in India has witnessed a sharp increase year by year and the domestic industry cannot suffer injury when imports are coming at such high price.
 - d)** That based on NIP calculated by the Applicants, the injury margin is negative for imports of subject goods from subject countries.
 - e)** Domestic Producers are incapable to meet the demand in India. The supply of subject goods has infact decreased due to the issues faced by some of the major merchant domestic producers of subject goods and decrease in supply of subject goods by captive producers of subject goods. This has created a huge demand-supply gap for subject goods.
 - f)** There is a huge increase in prices at which subject goods are being supplied by domestic producers in India.
 - g)** That the coking coal used for making subject goods in India is imported from outside India. The gap between landed value of coking coal and landed value of met coke has increased over time. This implies that the prices at which subject goods are coming into India cannot be said to be causing any injury to the Domestic producers in India.

- h)** That the domestic industry is not suffering injury any longer and as a consequence, a need for reviewing the current level of duties has arisen.
 - i)** There is no likelihood of recurrence of dumping and injury

C. Product under consideration and Like Article

- 5. The product under consideration (PUC) for the purpose of present investigation is “Low Ash Metallurgical Coke” from Australia and China PR. The product under consideration does not include Metallurgical Coke with high ash content which is in excess of 18%. Met Coke is produced by destructive distillation of coking coal in the absence/regulated presence of oxygen at high temperatures (ranging between 1100 to 1350 degree centigrade) causing the coal to soften, liquefy and then re-solidify into hard but porous lumps. Met Coke is a form of carbon along with some mineral and residual volatile material. Met Coke is used as a primary fuel in industries where a uniform and high temperature is required in kilns or furnaces. Met Coke is used in various industries including pig iron, foundries, ferro alloys, chemical, integrated steel plants and others.
- 6. The subject goods fall under Customs Tariff Item 27040030. The subject goods may also be imported under other Customs Tariff Items 27040090, 27040010, 27040020, etc. The customs classification is indicative only and is in no way binding on the scope of the present investigation.
- 7. Since the proposed investigation is a midterm review investigation, the scope of the product under consideration is the same as that of original investigation

D. Countries involved

- 8. The countries involved in the present investigation are Australia and China PR.

E. Initiation

- 9. Sub Rule (1) and (1A) of Rule 23 of the Anti-dumping Rules, as amended as amended vide Customs Notification No. 15/2011 dated 1st March 2011, reads as follows:
 - (1) *Any anti-dumping duty imposed under the provision of section 9A of the Act, shall remain in force, so long as and to the extent necessary, to counteract dumping, which is causing injury.*
 - (2) *The Designated Authority shall review the need for the continued imposition of any anti-dumping duty, where warranted, on its own initiative or upon request by any interested party who submits positive information substantiating the need for such review, and a*

reasonable period of time has elapsed since the imposition of the definitive anti-dumping duty and upon such review, the designated authority shall recommend to the Central Government for its withdrawal, where it comes to a conclusion that injury to the domestic industry is not likely to recur, if the said antidumping duty is removed or varied and therefore no longer warranted.

10. In terms of aforesaid rules, the Authority to review from time to time, the need for continued imposition of Anti-Dumping Duty and if it is satisfied on the basis of information received by it that there is no justification for continued imposition of such duty, the Authority may recommend to the Central Government for its withdrawal.
11. On the basis of information made available by the aforementioned Applicants before the Authority, the Authority considers it *prima facie* appropriate to initiate a mid-term review of the anti-dumping duties imposed on the imports of the subject goods originating in or exported from the subject countries.

F. Procedure:

12. Having regard to the information provided by the Applicant indicating changed circumstances necessitating a review of the measure in force, the Designated Authority now considers that it is appropriate to initiate a mid-term review of the final findings notified vide Notification No. 14/9/2015-DGAD dated 20th October 2016 published in the Gazette of India, Extraordinary Part I, Section I and the definitive duties imposed by the Central Government vide Customs Notification No. 53/2016- Customs (ADD), dated 25th November 2016 and the Authority hereby initiates an investigation in accordance with the provisions of Section 9(A) of Customs Tariff (Amendment) Act 1995 read with Rule 23 of the Rules supra to review the need for continued imposition of the anti-dumping duties. The review will cover all aspects of Notification No.14/9/2015-DGAD dated 20th October 2016.

G. Period of Investigation

13. The proposed period of investigation (POI) for the present investigation is from April 2017 to September 2018. The injury investigation period will, however, cover the periods April 2014-March 2015, April 2015-March 2016, April 2016-March 2017 and the POI.

H. Submission of information

14. The known exporters in the subject countries and its Government through its Embassies in India, importers and users in India known to be concerned 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 out below.

15. 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. The information/submissions may be submitted to:

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

16. 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.

I. Time limit for registration of parties and filing of response

17. Any information relating to the present investigation should be sent in writing so as to reach the Authority at the address mentioned above not later than forty days (40 days) from the date of the publication of initiation notification. 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 AD Rules.

18. 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 and offer their comments to the application within forty days (40 days) from the date of the publication of initiation notification. The information must be submitted in hard copies as well as in soft copies.

J. Submission of information on confidential basis

19. The parties making any submission (including Appendices/Annexure attached thereto), before the authority including questionnaire response, are required to file the same in two separate sets, in case "confidentiality" is claimed on any part thereof:

- i. one set marked as Confidential (with title, number of pages, index, etc.), and
- ii. the other set marked as Non-Confidential (with title, number of pages, index, etc.).

20. 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. Soft copies of both the versions will also be required to be submitted, along with the hard copies, in five (5) sets of each.

21. 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.
22. 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, 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.
23. 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.
24. 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.
25. 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.

K. Inspection of Public File

26. In terms of Rule 6(7) of the AD Rules, any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties.

L. Non-cooperation

27. 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.

(Sunil Kumar)
Additional Secretary & Director General