

File No. 6/03/2025-DGTR
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

Date: 29 March 2025

INITIATION NOTIFICATION
Case No. AD(OI) -03/2025

Subject: Initiation of Anti-dumping investigation concerning imports of “Low Ash Metallurgical Coke” originating in or exported from Australia, China, Colombia, Indonesia, Japan and Russia.

1. Indian Metallurgical Coke Manufacturer's Association ('IMCOM') (hereinafter referred to as the "applicant") has filed an application on behalf of the domestic industry before the Designated Authority ("Authority"), in accordance with the Customs Tariff Act, 1975, as amended ("Customs Tariff Act") and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended ("AD Rules"), for initiation of an anti-dumping investigation concerning imports of "Low Ash Metallurgical Coke" ("subject goods" or "product under consideration") originating in or exported Australia, China, Colombia, Indonesia, Japan and Russia ("subject countries").
2. The applicants have alleged that material injury is being caused to the domestic industry due to the dumped imports, originating or exported from the subject countries and have requested for the imposition of anti-dumping duties on the imports of the subject goods from the subject countries.

A. PRODUCT UNDER CONSIDERATION

3. The product under consideration in the present investigation is Low Ash Metallurgical Coke that is, Metallurgical Coke having ash content below 18% excluding ultra-low phosphorous metallurgical coke with phosphorous content up to 0.030% with size upto 30 mm with 5% size tolerance for use in ferroalloy manufacturing. Metallurgical Coke is used as a primary fuel in industries where a uniform and high temperature is required in kilns or furnaces, such as in production of pig iron, foundries, ferro alloys, chemical plants and steel plants.
4. 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.

5. The PUC is generally imported into India under HS Codes 2704 0010, 2704 0020, 2704 0030, and 2704 0090 of Schedule I of the Customs Tariff Act, 1975. However, it is possible that the subject goods may also be imported under other headings and therefore, the Customs tariff heading is indicative only and is not binding on the scope of the product. Import data from the DG Systems database has been assessed for the above tariff codes for the purposes of dumping and injury analyses.
6. The interested parties in the subject investigation may provide their comments on the PUC as well as their proposal for their construction of PCNs, if any, within 15 days from the date of initiation of this investigation.

B. LIKE ARTICLE

7. The applicants have claimed that the subject goods, which have been alleged to be dumped in India, are identical to the goods produced by the domestic industry. There are no known differences in the technical specifications, functions and end-use of the two products. The Authority notes that the two are *prima facie* technically and commercially substitutable. Hence, for the purposes of the present investigation, the Authority holds that the two should be treated as "like article" under the AD Rules. Therefore, for the purpose of the present investigation, the subject goods produced by the applicants in India are being treated as 'like articles' to the subject goods being imported from the subject country.

C. SUBJECT COUNTRIES

8. The subject countries in the present petition are Australia, China, Colombia, Indonesia, Japan and Russia.

D. PERIOD OF INVESTIGATION

9. The Authority has considered the period from October 1, 2023 – September 31, 2024 (12 Months) as the period of investigation, i.e., the POI. The period of injury covers the periods from April 1, 2021 to March 31, 2022, April 1, 2022 to March 31, 2023, April 1, 2023 – March 31, 2024, and the POI.

E. DOMESTIC INDUSTRY AND STANDING

10. The application has been filed by Indian Metallurgical Coke Manufacturer's Association ('IMCOM') on behalf of the domestic industry. The following members of the IMCOM have filed their data for the purpose of the present investigation.
 - a. Bhatia Coke and Energy Limited (Aquaterra Coke & Energy Limited),
 - b. BLA Coke Private Limited,
 - c. Jindal Coke Limited
 - d. Pawanputra ECoke Private Limited,

- e. Saurashtra Fuels Private Limited,
- f. SU Mangala Coke Private Limited
- g. United Coke Private Limited, and
- h. Vedanta MALCO Energy Limited

11. The applicant has submitted that in India, met coke is either produced as an intermediate in the manufacturing process of steel or is sold in the merchant market or is partly produced for sale and partly for captive consumption. There are at least 19 producers of the product producing met coke captively. However, such producers have not been considered as producers of met coke for determination of scope of the domestic industry in the present investigation, for the following reasons.

- a. Producers engaged in manufacturing met coke as a part of steel making do not recognize it as a product.
- b. It is only an input required by these producers for production of steel and is an intermediate in such production process.
- c. Websites of the steel producers do not report met coke as a "product".
- d. The steel manufacturers do not compete in the met coke market either with imports or with domestic producers.
- e. The captive producers are insulated from the market situations in the met coke market.
- f. The steel manufacturers are actually consumers of the subject goods, rather than manufacturers of the same.
- g. Met coke is a raw material for these producers and not a product meant for sale.

12. The proviso to Rule 2(b) of the Anti-Dumping Rules allows for considering separate industry in two or more competitive markets and the producers within each industry comprise of separate industries. The Authority has considered merchant market and captive market as separate competitive markets and producers within each of these markets have been considered to constitute separate industry.

13. The domestic industry has submitted that some of the domestic producers have imported the product under consideration, and thus, should not be considered as part of domestic industry. The Authority issued letters to all domestic producers and sought details regarding production, capacity, sales, captive consumption and imports (self-imports and by related parties). Actual information has been considered for the producers which have furnished a response. Based on the volume of imports compared with the production of the producers, the Authority has considered only the following producers ineligible for determination of total Indian production for the purpose of standing.

- a. Mahalakshmi Ennore Coke and Power Private Limited
- b. Mahalakshmi Wellman Fuels LLP
- c. Motherson Consolidate
- d. Shree Arihant Trade Links Private Limited
- e. Shri Electromelts Limited
- f. Visa Coke Limited

14. The following producers have furnished response to the letter sent by the Authority and have supported the application filed by the association.

- a. Carbon Edge Industries Limited
- b. Coromandel Met Coke Industries
- c. Narayani Coke Private Limited
- d. Neelanchal Carbo Metalicks Limited
- e. Tirupati Traders
- f. Varah Ventures (Girdhari Coke)
- g. Harsh Fuels Pvt. Ltd
- h. Tamil Nadu Coke & Power Private Limited
- i. Usha Fuels Private Limited
- j. Bengal Energy Limited

15. The applicant domestic producers constitute a major proportion of the eligible Indian production. Along with the supporters, the applicant domestic producers constitute 85% of the total eligible Indian production. The applicant domestic producers have not imported the subject goods from the subject countries during the period of investigation and are not related to any of the exporters of the subject goods in the subject countries or importers of the dumped articles in India. Thus, the applicant domestic producers constitute a major proportion of the total domestic production of like article in India. Thus, the applicant domestic producers constitute domestic industry under Rule 2(b), and the application satisfies the requirement of standing in terms of Rule 5(3) of the Anti-Dumping Rules.

BASIS OF ALLEGED DUMPING

Normal Value

a) Normal value for China PR

16. The applicants have claimed that China PR should be treated as a non-market economy and therefore, the Chinese producers should be called upon to show that market economy conditions prevail in the industry producing the like product with regard to the production and sale of that product under consideration. Unless the Chinese producers show that such market economy conditions prevail, their normal value should be determined in accordance with Para 7 of Annexure – I to the AD Rules. Under Para 7, normal value for a non-market economy country is required to be determined on the basis of prices of subject goods in the market economy third country or price from such third country to other countries, including India, or on some other reasonable basis including the price paid or payable in India.

17. The normal value, for the purpose of initiation of the investigation, has been constructed based on the cost of production of the domestic industry of the subject goods, after duly adjusting the selling, general and administrative expenses with reasonable profits.

b) Normal value for other subject countries

The applicants have submitted that it was not able to obtain comparable prices for like product in other countries, the price lists or commercial invoices for sales in the local market being commercially sensitive and confidential in nature. In view of the same, the applicant has constructed the normal value based on the representation cost of manufacturing in the respective countries based on the consumption norms of the domestic industry, duly adjusted with the selling, general, and administrative expenses and reasonable profit.

Export price

18. The applicant has adopted the CIF price reported as per imports into India as per market intelligence. The information provided by the applicants has been compared with the DG Systems data. For the purpose of the *prima facie* assessment, DG systems data has been adopted for ascertaining ex-factory export price. To determine the ex-factory export price, the price has been adjusted with ocean freight, inland freight, port expenses, insurance, commission, bank charges, inventory carrying cost and credit cost. There is sufficient *prima facie* evidence with respect to export price to justify the initiation of the investigation.

Dumping margin

19. Considering the normal value and export price as elaborated above, the dumping margin has been determined, in accordance with Section 9A(1)(a) of the Customs Tariff Act. It is seen that the dumping margin is not only above the *de minimis* levels, but also significant.

F. INJURY AND CAUSAL LINK

20. The information furnished by the applicants has been considered for assessment of injury to the domestic industry. The applicants have furnished evidence regarding the injury suffered as a result of the alleged dumping in the form of increased volume of dumped imports in absolute terms and in relation to production or consumption in India, price undercutting and price depressing effect on the domestic industry. The performance of the applicants has been adversely impacted in respect of profitability, return on investment, market share as a result of the increase in imports of the PUC at an injurious price for the domestic industry. There is sufficient *prima facie* evidence that the injury is being caused to the domestic industry by dumped imports from the subject countries.

21. The applicants have also claimed that the imports are causing material injury to the domestic industry.

G. INITIATION OF ANTI-DUMPING INVESTIGATION

22. On the basis of duly substantiated written application by the domestic industry, and having satisfied itself, on the basis of the *prima facie* evidence submitted by the domestic industry pertaining to dumping of the product under consideration 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 Customs Tariff Act read with Rule 5 of the AD Rules, the Authority, hereby, initiates an investigation to determine the existence, degree and effect of any alleged dumping in respect of the product under consideration 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.

H. PROCEDURE

23. Principles, as stated under Rule 6 of the AD Rules, shall be followed in the present investigation.

I. SUBMISSION OF INFORMATION

24. All the communications should be sent to the Designated Authority via email at email address dd15-dgtr@gov.in, dir16-dgtr@gov.in and adv13-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. Submissions requiring special software to access the files will not be accepted.

25. The known producers/exporters in the subject countries, the governments of the subject countries through their embassies in India, and the importers and users in India known to be concerned with the subject goods 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.

26. 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. 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.

J. TIME LIMIT

27. Any information relating to the present investigation should be sent to the Designated Authority via email at the following email addresses dd15-dgtr@gov.in, dir16-dgtr@gov.in and adv13-dgtr@gov.in within 30 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 AD Rules. It may, however, be noted that in terms of explanation of the said Rule, the notice calling for information and other documents shall be deemed to have been received within one week from the date on which it was sent by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting countries. 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.

28. 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 limit.

29. Where an interested party seeks additional time for filing of submissions, it must demonstrate sufficient cause for such extension in terms of Rule 6(4) of the AD Rules, 1995 and such request must come within the time stipulated in this notification.

K. SUBMISSION OF INFORMATION ON A CONFIDENTIAL BASIS

30. Any party making any confidential submission or providing information on a 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 AD Rules. Failure to adhere to the above may lead to the rejection of the response / submissions.

31. 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. In case, the submission is made in multiple parts, it is instructed to provide an index table in each part outlining the contents of all parts/emails and documents enclosed. Please ensure page numbering on all submissions.

32. Where the original documents are in a language other than Hindi and English, the interested parties are requested to ensure that the true translated version is provided along with the original documents.

33. 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.

34. 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 a confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to a summary, and a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority. The other interested parties may offer their comments on the confidentiality claimed within 7 days of receiving the non-confidential version of the documents.

35. 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.

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

37. The interested parties can offer their comments on the issues of confidentiality claimed by the domestic industry within 7 days from the date of circulation of the non-confidential version of the documents in terms of relevant paragraphs of this initiation notification.
38. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorisation of the party providing such information.

L. INSPECTION OF PUBLIC FILE

39. A list of registered 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. The non-confidential version of the questionnaire response or other submissions should preferably be circulated to all other interested parties on the same day and, in no case, later than the day following the filing of submissions on a confidential basis. Failure to circulate a non-confidential version of submissions/responses/information might lead to the consideration of an interested party as non-cooperative.

M. NON-COOPERATION

40. 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 based on the facts available to it and make such recommendations to the Central Government as deemed fit.



Darpan Jain
(Designated Authority)