

To be published in Part-I Section I of the Gazette of India Extraordinary

No.14/21/2010-DGAD

Government of India

Department of Commerce

Ministry of Commerce & Industry

(Directorate General of Anti-Dumping & Allied Duties)

Udyog Bhawan, New Delhi

Dated the 16th August 2010

INITIATION NOTIFICATION

Subject: Initiation of Anti-dumping investigation concerning imports of Stainless Steel Cold Rolled Flat Products of 200 series having width below 600 mm originating in or exported from China PR, United Arab Emirates (UAE), and USA

No.14/21/2010-DGAD, M/s Hisar Metal Industries Ltd., M/s Quality Foils (India) Pvt. Ltd. and M/s JSL Ltd. have filed an application before the Designated Authority (hereinafter referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred to as the Act) and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for 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 Stainless Steel Cold Rolled Flat Products of 200 series having width below 600 mm originating in or exported from China PR, United Arab Emirates (UAE), and USA (hereinafter referred to as subject countries).

2. AND WHEREAS, the Authority finds that sufficient evidence of dumping of the subject goods by the subject countries, 'injury' to the domestic industry and causal link between the dumping and 'injury' exist to justify initiation of an anti-dumping investigation; the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of the Rules 5 of the said Rules, to determine the existence, degree and effect of any alleged dumping and to recommend the amount of antidumping duty, which if levied would be adequate to remove the 'injury' to the domestic industry.

Domestic Industry & Standing

3. The application has been filed by M/s Hisar Metal Industries Ltd., M/s Quality Foils (India) Pvt. Ltd. and M/s JSL Ltd. These producers have provided information relevant to the present investigation. The production of the

applicant companies constitutes more than 50 % of total Indian production. The Authority has determined that (a) production of the applicant companies constitutes a major proportion in Indian production and; (b) the application has been made by or on behalf of the domestic industry.

4. The Authority after examining the above, prima facie determines that the applicants constitute domestic Industry within the meaning of the rule 2(b) read with 2(d) and the application satisfies the criteria of standing in terms of Rule 5 of the Rules .

Product under consideration

5. The product under consideration is ‘Cold Rolled Flat Products of Stainless Steel of 200 series having a width of less than 600mm including all austenitic grades having nickel content of less than 6%’.

6. The subject goods are used for manufacture of kitchen wares, white goods (consumer durables), hand-rails, process equipments, pipes & tubes, automotive components, industrial fabrication, etc.

7. The subject products are classified under Chapter Heading 7220.20.10, 7220.20.21, 7220.20.22, 7220.20.29, 7220.20.90, 7220.90.10, 7220.90.21, 7220.90.22, 7220.90.29 and 7220.90.90 of the Customs Tariff Act, 1975. The Customs classification is indicative only and is in no way binding on the scope of the present investigation.

Like Articles

8. The applicant has claimed that the goods produced by them are “like articles” to the goods originating in or exported from the subject countries. There are no differences either in the technical specifications, quality, functions or end-uses of the dumped imports and the domestically produced subject goods. The subject goods produced by the domestic industry and the imports from subject countries are comparable and technically & commercially substitutable. Therefore, for the purpose of investigation, Cold Rolled Flat Products of Stainless Steel of 200 series of the description mentioned above by the applicants are being treated as like articles to the subject goods being imported from subject countries within the meaning of the Anti Dumping Rules.

Countries involved

9. The countries involved in the present investigation are China PR, United Arab Emirates (UAE), and USA.

Dumping

Normal Value

10. The applicants have claimed that China PR is being treated as non-market economy and therefore, for the present investigation China is to be treated as non-market economy. The normal value for China under such a situation ought to be determined in accordance with Para 7 of Annexure I of the Anti Dumping Rules. The applicants have proposed Japan as an appropriate market economy third country for the determination of normal value. They have further stated that the applicants were not able to get any documentary evidence or published information for prices in Japan and therefore constructed the normal value for China. For UAE and USA, the applicants have also constructed the normal values stating that they were not able to get any documentary evidence or reliable information with regard to domestic prices in the subject countries nor the same are available in the public domain.

11. For the purpose of initiation, the Authority has prima-facie considered the normal value of subject goods in subject countries as claimed by the applicant.

Export Price

12. Since import data from DGCI&S is not available for the whole Period of Investigation, as stated by the petitioner, the export prices have been claimed on the basis of transaction-wise import data obtained from Cybex Exim Solutions Pvt. Limited. Adjustments have been claimed on ocean freight, marine insurance, port handling and commission to arrive at the export price at ex-factory level. The Authority notes that there is sufficient prima facie evidence of the net export price for the subject goods from the subject countries.

Dumping Margin

13. There is sufficient evidence that the normal values of the subject goods in the subject countries are significantly higher than the net export prices indicating prima-facie that the subject goods are being dumped by the exporters from the subject countries. Normal value and export price have been compared at ex-factory level which shows significant dumping margin in respect of subject countries.

Injury and Causal Link

14. The petitioner has furnished information on various parameters relating to material injury. The applicant has furnished prima facie evidence regarding the injury having taken place as a result of the alleged dumping from subject countries in the form of fall in profitability, return on capital employed, cash

flow, market share, effect on domestic prices and significant price undercutting and price underselling. There is sufficient prima-facie evidence of the material injury being suffered by the domestic industry and the same is being caused by dumped imports from subject countries.

Period of Investigation

15. For the purpose of initiation, the Authority has considered the information provided for the period 1st January 2009 to 31st December 2009 (12 months). However, for purpose of the present investigation, period of investigation (POI) is taken from **1st January 2009 to 31st March 2010 (15 months)**. The injury period will however cover the periods April, 2006-March, 2007, April, 2007-March, 08 April, 2008–March, 2009 and the POI.

Submission of information

16. The exporters and importers known to be concerned and domestic industry are being informed separately to enable them to file all information relevant in the form and manner prescribed. Any other party interested to participate in the present investigation may write to:

**The Designated Authority
(Directorate General of Anti-Dumping & Allied Duties)
Government of India
Ministry of Commerce & Industry
Department of Commerce
Udyog Bhavan, New Delhi-110011.**

Time limit

17. Any information relating to this investigation should be sent in writing so as to reach the Authority at the above address not later than 40 days from the date of publication of this notification. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record their findings on the basis of the facts available on record in accordance with the Rules supra.

Submission of Information on Non-Confidential basis

18. All interested parties shall provide a confidential and non-confidential summary in terms of Rule 7 (2), for the confidential information provided as per Rule 7 (1) of the Rules supra. The non-confidential version or non-confidential summary of the confidential information should be in sufficient detail to provide a meaningful understanding of the information to the other interested

parties. If in the opinion of the party providing such information, such information is not susceptible to summary; a statement of reason thereof is required to be provided.

19. Notwithstanding anything contained in para above, 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 a generalized or summary form, it may disregard such information.

INSPECTION OF PUBLIC FILE

20. In terms of rule 6(7) any interested party may inspect the public file containing non-confidential versions of the evidence submitted by other interested parties.

21. All interested parties shall provide a confidential and non-confidential summary in terms of Rule 7 (2), for the confidential information provided as per Rule 7 (1) of the Rules supra.

22. 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 record its findings on the basis of the facts available to it and make such recommendations to the Central Governments as deemed fit.

(P.K. Chaudhery)
The Designated Authority