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F. No. 14/17/2016-DGAD
Government of India
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
(DIRECTORATE GENERAL OF ANTI-DUMPING & ALLIED DUTIES)
4th Floor Jeevan Tara Building, 5, Parliament Street, New Delhi-110001

Dated the 30th August, 2017

NOTIFICATION

FINAL FINDINGS

Sub: Anti-dumping investigation concerning imports of “Wire Rod of Alloy or Non-Alloy Steel” originating in or exported from China PR-reg.

F. No. 14/17/2016-DGAD - Having regard to the Customs Tariff Act, 1975, as amended from time to time (hereinafter 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 thereof, as amended from time to time (hereinafter referred to as the AD rules) thereof M/s Steel Authority of India Limited, M/s Rashtriya Ispat Nigam Limited, M/s Usha Martin Limited and M/s JSW Steel Limited (hereinafter also referred to as petitioner companies or the applicants) have jointly filed an application before the Designated Authority (hereinafter also referred to as the Authority) in accordance with the Act and the AD Rules, for initiation of anti-dumping investigation concerning imports of “**Wire Rod of Alloy or Non-Alloy Steel**” (hereinafter also referred to as the subject goods), originating in or exported from China PR-reg. (hereinafter also referred to as the subject country), and requested for initiation of an investigation for levy of anti-dumping duties on the subject goods.

2. The Authority on the basis of sufficient *prima facie* evidence submitted by the applicant issued a public notice dated 02nd June 2016 published in the Gazette of India, Extraordinary, initiating an anti-dumping investigation concerning imports of the subject goods, originating in or exported from the subject country, in accordance with Rule 6(1) of the 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.
3. The Authority vide Preliminary Findings issued vide Notification No.14/17/2016-DGAD dated 27.09.2016 recommended provisional anti-dumping duty in the present investigation. Ministry of Finance issued a customs notification imposing provisional anti-dumping duty vide Customs Notification No. 51/2016-Customs (ADD) dated 02.11.2016 accepting the recommendations of the Authority.

A. Procedure

4. The procedure described below has been followed:
 - a. The Authority notified the embassy of subject country in India about the receipt of application before proceeding to initiate the investigation in accordance with sub-Rule 5(5) of the AD Rules.
 - b. The Authority sent copy of initiation notification to the embassy of subject country in India, known producers/ exporters from the subject country and known importers/ users/ associations of the subject goods as per the addresses made available by the applicants and requested them to make their views known in writing within 40 days of the initiation notification in accordance with Rule 6(2) of the AD Rules.
 - c. The Authority forwarded copy of the non-confidential version of the application to embassy of the subject country in India, known producers/exporters from the subject country and known importers of the subject goods, in accordance with the AD Rules. A copy of the application was also provided to other interested parties, wherever requested.
 - d. The embassy of subject country in India were also requested to advise the producers/exporters from their country to file their responses within the prescribed time limits.
 - e. The Authority sent exporter's questionnaires to elicit relevant information to the following known exporters in the subject country in accordance with Rule 6(4) of the AD Rules:
 1. Jiuquan Iron & Steel (Group) Co. Ltd.
 2. Handan Iron & Steel Group Co. Ltd.
 3. Lianyuan Iron & Steel Group Co. Ltd.
 4. Baosteel Group Corp
 5. Wuhan Iron & Steel (Group) Corp.
 6. Benxi Iron & Steel (Group) Special Steel Co Ltd.
 7. Lingyuan Iron & Steel (Group) Co. Ltd.
 8. Shougang Changzhi Iron & Steel Ltd.
 9. Hangzhou Iron & Steel Group Company
 10. Anfeng Steel Structure Materials Co. Ltd.
 11. Tianjin Xuboyuan Iron & Steel Trading Co. Ltd.
 - f. In response to the initiation notification, the following producers and exporters/traders from the subject country have filed response to exporter's questionnaire:

1. Jiangsu Shagang Material Trade Co. Ltd. (Exporter)
 2. B&L Metal (HK) Limited (Exporter)
 3. Jinagsu Runzhong High Tech Co. Ltd (Producer)
 4. Zhangjiagang Shajing Steel Co. Ltd. (Producer)
 5. Zhangjiagang Hongxing Gaoxian Co. Ltd (Producer)
 6. Zhangjiagang Rongsheng Steel Making Co. Ltd. (Producer)
 7. Jinagsu Shagang International Trade Co. Ltd. (Exporter)
 8. B&L International Investment Co. Ltd. (Exporter)
 9. Zhangjiagang Hongchang Gaoxian Co. Ltd.(Producer)
 10. Zhangjiagang Runzhong Steel Co. Ltd. (Producer)
 11. Xinsha International Pte. Ltd. (Exporter)
 12. Minmetals Yingkou Medium Plate Co. Ltd. (Producer)
 13. Sinomaterial International Co. Ltd. (Exporter)
 14. Manuchar Steel Hong Kong Limited Exporter)
 15. Burwill Resources Limited (Exporter)
 16. Jiangsu Yonggang Group Co. Ltd. (Producer)
 17. Genesis Resources Co. Ltd (Hong Kong)
 18. Smart Timing Steel Limited (Exporter)
 19. Toptip Holding Pte. Ltd. (Exporter)
 20. Zenith Steel Group Co. Ltd. (Producer)
 21. Hangzhou Cogeneration (Hong Kong) Co. Limited (Exporter)
 22. Unisteel International DMCC (Exporter)
 23. Win Faith Trading Limited (Exporter)
 24. Benxi Iron and Steel Hong Kong Limited (Exporter)
 25. Benxi Beiyong Iron and Steel Group Imp. And Exp. Corp. Ltd. (Exporter)
 26. Benxi Beitai Gaosu steel Wire Rod Co. Ltd. (Producer)
 27. Future Materials Industry (Hong Kong) Co. Limited (Exporter)
 28. Jiangyin Xingcheng Alloy Material Co., Ltd (Producer)
 29. Jiangyin Xingcheng Special Steel Works Co., Ltd (Exporter)
- g. Further, the following exporters/traders have filed only Appendix-2 and 3A instead of filing the complete questionnaire response.
1. Hong Kong Grand International Co. Ltd.
 2. Hyosung Corporation
 3. Steelco Pacific Trading Limited
 4. Steelforce Far East Ltd.
 5. Tata International Metals (Asia) Limited
 6. Unisteel International DMCC (Seperately filed)
- h. None of the producers/exporters from China PR has claimed Market Economy Treatment (MET) rebutting the non-market economy treatment in the present investigation.

i. Questionnaires were sent to the following known importers/users of the subject goods in India calling for necessary information in accordance with Rule 6(4) of the AD Rules:

1. A.A. International
2. Aggarwal Impex
3. D.P. Wires Pvt. Ltd.
4. Garg Inox Ltd.
5. H.D. Wires Pvt. Ltd.
6. Indian Wire & Steel Products
7. J.S. Industries Pvt. Ltd.
8. Kadimi Special Steels Pvt. Ltd.
9. Lakshmi Card Clothing Mfg. Co. Pvt. Ltd.
10. Makalu Trading Ltd.
11. Nirmal Wires Pvt. Ltd.
12. Oceanic Overseas
13. Pankaj Steel Corporation
14. R.K. Steels
15. Sterling Tools Ltd.
16. Transnational
17. Uday Industries
18. V.N.C. Electrodes
19. Vidhi Impex
20. Weldwell Electrodes
21. Yatin Steels India Pvt. Ltd.
22. Zarhak Steels Ltd.

j. The following importers/users of the subject goods have responded in the form of questionnaire responses:

1. Apar Industries Limited
2. Rajratan Global Wire Ltd.
3. National Engineering Industries Limited (NEIL)
4. Indian Wire & Steel Products
5. FAG Bearings India Limited

k. During the investigation following parties have filed submissions/comments:

1. China Chamber of International Commerce, (“CCOIC”)
2. Jiangsu Yonggang Group Co. Limited
3. Sinomaterial International Co. Limited
4. Manuchar Steel Hong Kong Limited
5. Burwill Resources Limited

6. Zenith Steel Group Co. Limited
7. Smart Timing Steel Limited
8. Toptip Holding Pte. Limited
9. Minmetals Yingkou Medium Plate Co. Ltd
10. Benxi Beitai Gaosu Steel Wire Rod Co., Limited
11. Benxi Beiyang Iron and Steel Group Imp. and Exp. Corp. Ltd.
12. Benxi Iron and Steel Hong Kong Limited
13. Future Materials Industry (Hong Kong) Co.
14. Hangzhou Cogeneration (Hong Kong) Co., Limited
15. Unisteel International DMCC
16. Win Faith Trading Limited
17. Ningbo CIMEI Import & Export Co. Limited
18. National Engineering Industries Limited (NEIL)
19. Ball & Roller Bearing Manufacturers Association of India
20. Steel Wire Manufacturers Association of India (SWMAI)
21. Jiangyin Xincheng Alloy Material Co. Ltd. and Jiangyin Xincheng Special Steel Works Co. Ltd.
22. FAG Bearings India Limited
23. Jiangsu Shaganag International Trade Co. Limited

- l. The Authority made available non-confidential version of the evidence presented by various interested parties in the form of a public file kept open for inspection by the interested parties. Submissions made by all interested parties have been taken into account in the present discourse statement.
- m. Information provided by the interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claim. On being satisfied, the Authority has accepted the confidentiality claims wherever warranted and such information has been considered as confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide sufficient non-confidential version of the information filed on confidential basis.
- n. Further information was sought from the applicant and other interested parties to the extent deemed necessary.
- o. Wherever an interested party has refused access to, or has otherwise not provided necessary information during the course of the present investigation, or has significantly impeded the investigation, the Authority has considered such parties as non-cooperative and recorded the findings on the basis of the facts available.
- p. The Non-Injurious Price (hereinafter referred to as 'NIP') is based on the cost of production and cost to make and sell the subject goods in India based on the

information furnished by the domestic industry on the basis of Generally Accepted Accounting Principles (GAAP) and Annexure III to the Anti-Dumping Rules. It has been worked out so as to ascertain whether Anti-Dumping duty lower than the dumping margin would be sufficient to remove injury to the Domestic Industry.

- q. Considering the fact that the subject goods are being imported in various grades/sizes/dimensions, the applicants had proposed Product Control Numbers (PCNs) in order to make a PCN to PCN comparison for computing the dumping margin and injury margin. However, keeping in mind the factual matrix of the case, the Authority has not adopted PCN to PCN comparison.
- r. Verification of the information provided by the applicant domestic industry was carried out by the Authority to the extent deemed necessary. Only such verified information with necessary rectification, wherever applicable, has been relied upon.
- s. Investigation was carried out for the period starting from 1st July 2015 to 31st December 2015 (6 months) (hereinafter referred to as the 'period of investigation' or the 'POI'). The examination of trends, in the context of injury analysis covered the period from 2012-13, 2013-14, 2014-15, April 2015 to December 2015 and the POI.
- t. The petitioners had submitted the petition alleging dumping of the subject goods from the subject country relying upon transaction wise imports data sourced from IBIS. However, request was made to the Directorate General of Commercial Intelligence and Statistics (DGCI&S) to provide transaction-wise details of the imports of the subject goods for the past three years, including the period of investigation. The Authority has relied upon the transaction-wise DGCI&S import data.
- u. In accordance with Rule 6(6) of the AD Rules, the Authority also provided opportunity to all interested parties to present their views orally in a hearing held on 04th May, 2017. All the parties attending the oral hearing were requested to file written submissions of the views expressed orally by 09th May, 2017. The parties were advised to collect copies of the views expressed by the opposing parties and were requested to submit their rejoinders by 15th May, 2017.
- v. Arguments raised and information provided by various interested parties during the course of the investigation, to the extent the same are supported with evidence and considered relevant to the present investigation, have been appropriately considered by the Authority.

- w. Exchange rate for conversion of US\$ to INR is considered for the POI as INR 65.93 as per customs data.
- x. In this notification, *** represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
- y. A Disclosure Statement containing the essential facts in this investigation which have formed the basis of the Final Findings was issued to the interested parties on 12.08.2017. The post Disclosure Statement submissions received from the domestic industry and other interested parties have been considered, to the extent found relevant, in this Final Findings Notification.

B. Product under Consideration and Like Article

- 5. The product under consideration (PUC) in the present investigation is:

The product under consideration in the present investigation is bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel or alloy steel (commonly known as “Wire Rods”).

These products are of prime and non-prime category and are in all sizes. These products conform to various qualities of steels including but not limited to electrode, free cutting, forging, cold heading, low / medium / high carbon steels, drawing, ball bearing steel, case hardening steel, spring steel, corrosion resistant steel, weathering steel, structural steel and many more qualities of steel. However, following products, are not included in the scope of the product under consideration:

- a. Bars and rods containing indentations, ribs, grooves or other deformations produced during the rolling process falling under Tariff Item 72131090 (commonly known as rebars or TMT bars).*
 - b. Bars and rods of Stainless steel falling under Tariff Heading 7221.*
 - c. Bars and rods of High speed steel falling under Tariff Item 72271000*
- 6. The PUC is used in many applications and sectors such as automotive components, welding electrodes, fasteners including nuts and bolts, nails, railway sleepers, general engineering, binding wires for construction industry, armoured cables etc.
- 7. The PUC is classified under Custom Tariff Heading 7213 and 7227. The Customs classification is, however, indicative only and is in no way binding on the scope of the present investigation.

B.1 Views of the Interested Parties

8. Submissions made by exporters, importers, users and other interested parties with regard to issues related to PUC and considered relevant by the Authority are, inter alia, as follows:
- a. There is no 'like article' being produced by the applicants. Domestic Industry (DI) is not able to meet some of the quality parameters required to be covered for producing high quality "Bearings". Although the domestic steel producers are able to produce steel with oxygen level > 10 PPM, they are not capable of fulfilling requirements where oxygen level to be maintained in steel is less than 6-8 PPM.
 - b. Certain high end grades of wire rods should be excluded from the product scope as below:
 - i. Wire rods of SAE 52100 grades - used for manufacturing of bearing needle wire
 - ii. High end spring steel wire rods for manufacturing of critical spring wires used in automobile industries
 - iii. High end tyre cord wire rods used for manufacturing of tyre cords used in a Auto tyre industries
 - iv. Higher carbon range (0.85 and above) wire rods used for manufacturing of wires like, spring steel wire, PC wire, ACSR core wire, etc.
 - c. High carbon grade steel should be excluded from the product scope for the reason that there is a demand-supply gap.
 - d. There is only one manufacturer of 'bearing grade wires/wire rods' in India, namely, Mukand Limited. Even Mukand Ltd. is not able to fulfill the product requirements. Moreover, Mukand Limited is also not an interested party requesting imposition of anti-dumping duty. HS Codes 72283019, 72283029, 72299090, 72279030, 72279040 and 72279090 should be excluded from the purview of the investigation. "Bearing Grade" should be kept outside the scope of the subject investigation and duty should not be recommended on the imports of "bearing grade bars and wire rods" falling under Indian HS Classification 7227, 72279030, 72279040 and 72279090.
 - e. SAE52100 and SAE8720 grade wire rods falling under tariff items 7227 9040 and 7227 9090 should be excluded from the product scope as the domestic industry is not manufacturing like articles possessing the specification of SAE52100 and SAE8720.
 - f. Further, NEIL has alleged that the Steel Authority of India Limited ("SAIL") had failed to deliver a particular order of SAE52100 grade and has submitted

confidential evidence of the delivery failure and the Minutes of Meeting between NEIL and SAIL officials.

- g. The Domestic Industry has failed to provide documentary evidence substantiating the production of "bearing grade bars and wire rods" falling under Indian HS Classification 7227, 72279030, 72279040 and 72279090.
- h. It is submitted that the manufacturing process of wire rods of Tariff Heading 7213/7214 and bars of Tariff Heading 7227/7228 are different and requires different set of machineries. Thus, 7214 and 7228 are not like articles and, therefore, beyond the subject matter of this investigation.
- i. The PUC defined is extremely vague, wide and amorphous. It includes all sizes of wire rods including those which are not manufactured by the DI. As per the product brochure JSW is capable of manufacturing wire rods other than bearing steel of size up to 22 mm diameter. RINL is not capable of manufacturing wire rods of sizes more than 14 mm. Scope of PUC must be limited for size up to 14 mm diameter and not all sizes.
- j. 100 Cr6 grade alloy steel bars which is equivalent to SAE 52100 grade is not produced by the applicants and cannot be included in the product scope.

B.2 Views of the domestic industry

- 9. The submissions made by the domestic industry (DI) and considered relevant by the Authority are as follows:
 - a. DI has the capability to manufacture and are manufacturing high end spring wire steel wire rods, high end tyre cord wire rods used in the automobile industry and grades equivalent to SAE 52100. Therefore, the claim of the interested parties for exclusion of these grades is unwarranted.
 - b. With regards to allegation of NEIL that that the Steel Authority of India Limited ("SAIL") had failed to deliver a particular order of SAE52100 grade, the DI has submitted that NEIL has failed to provide the non-confidential version of the evidence. In absence of non confidential version of the evidence, the DI will not be able to provide its comments on the same. Further, without accepting the allegations of NEIL, domestic industry submits that one independent incident of non-delivery by one of the constituents of the domestic industry cannot be a ground for a particular grade to be excluded from the product scope.
 - c. Presence of a demand-supply gap for "High carbon grade steel" cannot be a ground for excluding it from the product scope. The fact that the particular product is being dumped into India and the same is causing injury to the domestic

industry is a ground for imposition of duties. Further, interested parties should explicitly mention the type of high carbon wire rod that it is seeking to get excluded from the product scope. In the absence of the specific grade, no detailed submission can be filed rebutting this issue.

- d. DI has the capability to manufacture and are manufacturing wire rods of ball bearing quality falling under tariff item 7227 9030 and wire rods of cold heading quality falling under tariff item 7227 9040. Therefore, the claim of the interested parties for exclusion of these grades is unwarranted.
- e. The present application relates to wire rods in coil form falling under tariff heading 7213 and 7227 of the customs tariff. The present application does not cover bars and rods in straight length falling tariff heading 7214 and 7228. Therefore, the claim of the interested parties for exclusion of bar and rods falling under tariff heading 7214 and 7228 does not make any sense.
- f. The claim of the interested parties for exclusion of wire rods falling under tariff item 7227 9090 cannot be entertained unless the interested parties specify the exact grade for which exclusion is required. Tariff item 7227 9090 is residual heading (“Others”) and covers a broad range of products within its ambit.
- g. The claim of the interested parties for exclusion of products falling under tariff item 7229 9090 does not make any sense because tariff heading 7229 pertains to “wire of other alloy steel”. The present application relates to wire rods and not wire.
- h. The claim of interested parties for restricting the scope of PUC upto 14mm diameter cannot be entertained because the domestic industry has the capability to manufacture the subject goods of more than 14mm diameter as and when orders are placed on them. In fact, the interested parties have failed to demonstrate that they require PUC of more than 14mm diameter and that they have placed orders of higher diameter with DI but the DI has failed to supply the same. In the absence of such information from the interested parties there is no basis of restricting the scope of PUC upto 14mm diameter.
- i. DI has the capability to manufacture and are manufacturing wire rods with oxygen level less than 6-8 PPM.
- j. DI has the capability to manufacture and are manufacturing wire rods of 100 Cr6 grade alloy steel.

B.3 Examination of the Authority

10. The submissions made by the interested parties and the domestic industry with regard to the PUC related issues and considered relevant by the Authority are examined and addressed hereunder.
11. With regard to the contention of the interested parties for exclusion of certain products from the scope of the PUC, the Authority is unable to accept the claims of the interested parties due to following reasons:
 - i. DI is manufacturing high end spring wire steel wire rods, high end tyre cord wire rods used in the automobile industry, higher carbon range (0.85 and above) wire rods used for manufacturing of wires like, spring steel wire, PC wire, ACSR core wire etc. and also grades equivalent to SAE 52100 and SAE8720.
 - ii. DI is manufacturing wire rods of ball bearing quality falling under tariff item 7227 9030 and wire rods of cold heading quality falling under tariff item 7227 9040.
 - iii. The present application relates to wire rods in coil form falling under tariff heading 7213 and 7227 of the customs tariff. The present application does not cover bars and rods in straight length falling tariff heading 7214 and 7228.
 - iv. Tariff item 7227 9090 is residual heading (“Others”) and covers a broad range of products within its ambit. The claim of the interested parties for exclusion of wire rods falling under tariff item 7227 9090 cannot be entertained unless the interested parties specify the exact grade for which exclusion is required.
 - v. The claim of the interested parties for exclusion of products falling under tariff item 7229 9090 is irrelevant. Tariff heading 7229 pertains to “wire of other alloy steel”. Current investigation only covers wire rods and not wire.
 - vi. The claim of interested parties for restricting the scope of PUC upto 14mm diameter cannot be entertained because the domestic industry has the capability to manufacture the subject goods of more than 14mm diameter. The interested parties have failed to demonstrate that they have placed orders of higher diameter with DI and DI has failed to supply the same.
 - vii. DI is manufacturing wire rods with oxygen level less than 6-8 PPM.

viii. DI is manufacturing wire rods of 100 Cr6 grade alloy steel.

12. As regards the contention that the PUC is too broad and vague, the Authority notes that the PUC has been appropriately defined keeping in view the imports from the subject country and production and supply position of the domestic industry. The Authority has thoroughly examined the contentions by all parties before arriving at the product scope.
13. With regard to like article, Rule 2(d) of the AD Rules provides as follows: -"like article" means an article which is identical or alike in all respects to the article under investigation for being dumped in India or in the absence of such article, another article which although not alike in all respects, has characteristics closely resembling those of the articles under investigation. On the basis of information on record and considering the submissions made by the interested parties, the Authority holds that there is no known difference in the subject goods produced by the Indian industry and those imported from the subject country. The two are comparable in terms of physical characteristics, manufacturing process, functions and uses, product specifications, distribution and marketing, and tariff classifications of the goods. The two are technically and commercially substitutable. The consumers use the two interchangeably. The Authority holds that the products manufactured by the applicants constitute like article to the subject goods being imported into India from the subject country.
14. The product under consideration (PUC) in the present investigation is confirmed as under:

The product under consideration in the present investigation is bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel or alloy steel (commonly known as "Wire Rods").

These products are of prime and non-prime category and are in all sizes. These products conform to various qualities of steels including but not limited to electrode, free cutting, forging, cold heading, low / medium / high carbon steels, drawing, ball bearing steel, case hardening steel, spring steel, corrosion resistant steel, weathering steel, structural steel and many more qualities of steel. However, following products, are not included in the scope of the product under consideration:

- a. Bars and rods containing indentations, ribs, grooves or other deformations produced during the rolling process falling under Tariff Item 72131090 (commonly known as rebars or TMT bars).*
- b. Bars and rods of Stainless steel falling under Tariff Heading 7221.*
- c. Bars and rods of High speed steel falling under Tariff Item 72271000*

15. The PUC is used in many applications and sectors such as automotive components, welding electrodes, fasteners including nuts and bolts, nails, railway sleepers, general engineering, binding wires for construction industry, armoured cables etc.
16. The PUC is classified under Custom Tariff Heading 7213 and 7227. The Customs classification is, however, indicative only and is in no way binding on the scope of the present investigation.

C. Confidentiality

C.1 Views of Exporter, importers and other Interested Parties regarding the standing of domestic industry

17. Following are the issues raised by interested parties with respect to excessive confidentiality:
 - a. Copy of Original/Raw transaction-wise import data obtained from IBIS has not been provided in excel file format.
 - b. The company-wise production and sales volume detail of the domestic producer other than the applicant has not been provided.
 - c. The item wise details of constructed value as well as normal value have been kept confidential and even ranges of normal value have not been given.
 - d. The domestic industry has not provided any evidence with regard to the adjustments claimed by them for ocean freight, marine insurance, inland freight, handling charges and VAT adjustment while deriving ex-factory export price.
 - e. It is submitted that the domestic industry resorted to excessive confidentiality depriving the interested parties from offering meaningful comments which is completely against the confidentiality provisions provided in the AD Rules.
 - f. The applicant industry has kept considerable information confidential without providing any justifiable reasons like selling price, cost of production, ROCE, productivity, employment, calculation of working capital, interest on term loan, depreciation, miscellaneous income, purchase and sales policy, inventory valuation, quality control procedure etc. This is not permissible under the Rules as can be seen from the provisions above.
 - g. Anti-Dumping authority has stated that they have relied on DGCIS data but a copy of DGCIS data has not been enclosed with preliminary findings.

- h. The Authority has accepted the confidentiality claim of the DI over JPC data. However, the Authority failed to notice that JPC data is available in public domain.

C.2 Views of the Domestic Industry

18. Few interested parties are of the view that the domestic industry has exercised excessive confidentiality in the petition by keeping confidential - i) IBIS import data; ii) company-wise production and sales volume details; iii) item-wise details of constructed normal value; iv) evidence regarding adjustments for ocean freight, marine insurance, port expenses, etc.; v) domestic selling prices; vi) profit and ROCE in %age terms; viii) Constructed Normal value etc. The domestic industry wholly denies and objects to the above contentions. First of all, it is clarified that Rule 7 of the AD Rules allows a party to claim confidentiality on information. Rule 7 also mandates that confidential information should be provided in non-confidential summary to interested parties, and where that is not possible, reasons should be provided why summarization is not possible. The domestic industry has claimed confidentiality on certain data in compliance with Rule 7 of the AD Rules. The Designated Authority has also accepted the domestic industry's confidentiality claims. Therefore, the above contentions by interested parties hold no water. Further, import data for this investigation is already placed in the public file. Therefore, contentions regarding non availability of import data are unfounded.
19. Further, domestic industry has not claimed confidentiality on the JPC data used in the Petition. The domestic industry has relied on JPC data for the purpose of determining the total domestic production volumes of the like product. The absolute JPC data figures that have been used has been provided in the Petition and the same is not even indexed.

C.3 Examination by the Authority

20. With regard to confidentiality of information, Rule 7 of Anti-dumping Rules provides as follows:-

Confidential information: (1) Notwithstanding anything contained in sub-rules and (7)of rule 6, sub-rule(2),(3)(2) of rule12,sub-rule(4) of rule 15 and sub-rule (4) of rule 17, the copies of applications received under sub-rule (1) of rule 5, or any other information provided to the designated authority on a confidential basis by any party in the course of investigation, shall, upon the designated authority being satisfied as to its confidentiality, be treated as such by it and no such information shall be disclosed to any other party without specific authorization of the party providing such information.

(2)The designated authority may require the parties providing information on confidential basis to furnish non-confidential summary thereof and if, in the

opinion of a party providing such information, such information is not susceptible of summary, such party may submit to the designated authority a statement of reasons why summarization is not possible.

(3) Notwithstanding anything contained in sub-rule (2), if the designated 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 authorise its disclosure in a generalized or summary form, it may disregard such information.

21. Submissions made by the interested parties with regard to confidentiality are examined and addressed accordingly. Information provided by the interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claim. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted and such information has been considered confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide sufficient non confidential version of the information filed on confidential basis. The Authority made available the non-confidential version of the evidences submitted by various interested parties in the form of public file.

D. Domestic Industry and Standing

22. Rule 2 (b) of the AD rules defines the domestic industry as under:

“(b) “domestic industry” means the domestic producers as a whole engaged in the manufacture of the like article and any activity connected therewith or those whose collective output of the said article constitutes a major proportion of the total domestic production of that article except when such producers are related to the exporters or importers of the alleged dumped article or are themselves importers thereof in such case the term ‘domestic industry’ may be construed as referring to the rest of the producers”

23. The application in the present case has been filed by M/s Steel Authority of India Limited, M/s Rashtriya Ispat Nigam Limited, M/s Usha Martin Limited and M/s JSW Steel Limited. The production of the aforesaid producers accounts for a major proportion of the total domestic production in India. The application has also been supported by two other domestic producers, namely, Tata Steel Limited and Jindal Steel and Power Limited.

D.1 Views of Exporter, importers and other Interested Parties regarding standing of the domestic industry.

24. The Applicant producers constitute mere 40% of the total domestic production and do not satisfy Rule 2(b) of the AD Rules. The Authority must elicit information in

relation to production of other producers from the Central Excise Commissionerate. A 40% share of the total production can in no way confer to the requirement of Rule 2(b). Injury Examination based on 40% domestic production would give a skewed picture of injury and Authority should consider calling for more producers to make the share at least 50%.

25. Two supporters, namely, Tata Steel Ltd and Jindal Steel and Power Ltd have supported the application but no disclosure has been made regarding the information relating to imports of the PUC by the aforesaid supporters. The support letters were given prior to filing of the application. Rule 5(3) makes it apparent that any support to the application can be made only after filing of the said application before DGAD.
26. Usha Martin Limited cannot be included in the scope of the 'domestic industry' as Usha Martin is one of the importer of subject goods at Page 93 of the Application.

D.2. Views of the Domestic Industry

27. The following are the submissions of the domestic industry with respect to the issues raised by various interested parties regarding standing of the domestic industry:
 - a. M/s. Usha Martin has not imported the subject goods during POI as is evident from the certificate provided by M/s Usha Martin Limited along with the application filed with the Authority.
 - b. The mentioning of name of M/s Usha Martin Limited on page 93 of the application under the list of known importers is merely a clerical mistake.
 - c. There is no provision under the AD Rules which mandates that the domestic producers having a share of more than 50% of total Indian production have to necessarily participate for seeking levy of antidumping duty.

D.3 Examination by the Authority:

28. The issues raised by various interested parties with regard to standing of domestic industry are examined as under:
 - a. Rule 2 (b) of the AD rules defines the domestic industry as under:

"(b) "domestic industry" means the domestic producers as a whole engaged in the manufacture of the like article and any activity connected therewith or those whose collective output of the said article constitutes a major proportion of the total domestic production of that article except when such producers are related

to the exporters or importers of the alleged dumped article or are themselves importers thereof in such case the term 'domestic industry' may be construed as referring to the rest of the producers"

- b. The application has been filed M/s Steel Authority of India Limited, M/s Rashtriya Ispat Nigam Limited, M/s Usha Martin Limited and M/s JSW Steel Limited. The production of the aforesaid four producers accounts for a major proportion of the total domestic production. The application has also been supported by two domestic producers, namely, Tata Steel Limited and Jindal Steel and Power Limited.
- c. With regard to imports by M/s Usha Martin Limited, it is noted by the Authority that M/s. Usha Martin Limited has not imported the subject goods during POI as is evident from the certificate provided by M/s Usha Martin Limited along with the application filed with the Authority. The mentioning of name of M/s Usha Martin Limited by DI on page 93 of the application under the list of known importers is merely a clerical mistake as admitted by DI.
- d. With regard to the issue that Applicant producers constitute mere 40% of the total production in India and do not satisfy the requirement under Rule 2(b) the AD Rules, Authority notes that domestic industry means the domestic producers whose collective output constitutes a major proportion of the total domestic production. The phrase used is "major proportion" not "majority proportion". There is no express requirement that Applicants must constitute 50% or more of the total domestic production in order to have a major proportion. There are judgments mentioning that less than 50% of the total production would satisfy the requirement of major proportion under the Rules.
- e. Explanation to Rule 5 of AD Rules states that the application shall be deemed to have been made by or on behalf of the domestic industry, if it is supported by those domestic producers whose collective output constitutes more than fifty per cent of the total production of the like article produced by that portion of the domestic industry expressing either support for or opposition, as the case may be, to the application. Authority notes that there is no opposition to the present application from any domestic producers of subject goods in India.
- f. The Authority further notes that the share of Petitioners along with supporters is 65% of the total Indian production of Wire Rods as shown in the table below:

Particulars in MT	2012-13	2013-14	2014-15	April 2015-Dec 2015 ((A)	POI (July 2015-Dec 15)	POI (A)
Petitioners						
Rashtriya Ispat Nigam Limited	267,404	354,645	295,837	445,350	234,693	469,386
Steel Authority of India Limited	306,753	321,095	288,016	428,943	226,705	453,409
JSW Steel Ltd	593,907	617,646	602,931	596,314	284,906	569,812
Usha Martin Ltd	309,908	315,892	316,281	309,851	156,841	313,683
Petitioners' Total Production	1,477,972	1,609,278	1,503,065	1,780,457	903,145	1,806,291
Supporters' Total Production	1,006,800	1,037,081	1,034,350	1,102,147	556,268	1,112,536
Other Producers	1,090,931	1,571,109	1,461,720	1,603,483	781,026	1,562,052
Total Domestic Production	3,575,703	4,217,468	3,999,134	4,486,087	2,240,439	4,480,879
Share of Petitioners	41%	38%	38%	40%	40%	40%
Share of Petitioners & Supporters	69%	63%	63%	64%	65%	65%

Accordingly, the production of applicants constitutes major proportion of the total domestic production and therefore Authority does not find it relevant to consider the argument regarding imports made by the supporters.

29. Therefore, the Authority holds that the applicants command a major proportion of the total domestic production of the subject goods in India and for the purpose of this investigation the applicants satisfy the standing requirement in terms of Rule 5(3) and constitutes the domestic industry in terms of Rule 2(b) of the AD Rules.

D. De Minimis Limits

30. As per the import data received by the Authority from the Directorate General of Commercial Intelligence and Statistics (DGCI&S) and the data furnished by the cooperating exporters from the subject country, the imports of the subject goods from the subject country are found to be above the *de minimis* level.

E. Miscellaneous issues

31. Various interested parties have raised several issues with respect to the present investigation, including methodologies of dumping determination and injury claims of the domestic industry. While the issues regarding the dumping and injury determination have been dealt in the appropriate places, the general issues raised by the parties to the investigation have been examined hereunder. For the sake of brevity, the submissions of the parties and issues raised therein have been summarized as follows:

F.1. Miscellaneous issues raised by the interested parties

- a. The Authority did not issue notice to all the interested parties including the Association as soon as it was satisfied that there was sufficient evidence to justify initiation. This is in contravention of Article 12.1 of the ADA. The Authority failed to disclose the Application to the domestic producers in India for seeking opposition to the application as mandated under AD Rules.
- b. The subject goods are largely consumed captively by the producers. The Authority is requested to collect the data for the same from the petitioners.
- c. The PUC includes wide range of products which vary significantly in terms of price and cost. The DI has resorted to excessive confidentiality. The costing and price information provided by the DI hampers provision of any meaningful comments.
- d. Ball and Rolled Bearing Manufacturers Association have submitted that there is a wide difference between the quantum of imports reported by the applicants and the data sorted by the Association. It has been requested to submit the details of imports considered for determination of PUC. Applicants have relied on IBIS data which is not authenticated by DGCIS who is mandated official organization for collection, compilation and dissemination of India's Trade statistics and commercial information.
- e. Some interested parties have contended that the domestic industry has been afforded multiple protections in the form of increase in basic customs duty ("BCD") and imposition of a Minimum Import Price ("MIP").
- f. The POI and injury period is a deviation from all the past practices adopted by the Authority. The POI in the subject investigation is taken for a period of six months which is contrary to the WTO Anti-dumping Committee recommendation (G/ADP/6, adopted by the Committee on 5 May 2000). Authority is requested to consider extending the POI upto June 2016. The POI selected is inconsistent with the Trade Notice No. 2/2004. There is an absolute overlap between the POI and April 15 to December 15 period which is provided as one of the previous years for comparisons. Interested parties also contend that post POI trends should be examined.
- g. The ROCE of 22% for computing NIP is very high. Reliance is placed on the judgement of Hon'ble CESTAT in the case of Bridgestone Vs. Designated Authority.
- h. There is no history of dumping of subject goods as no such investigation has ever been initiated in India. Therefore, retrospective duty cannot be levied in the present investigation due to absence of any history of dumping.

- i. Some of the interested parties have brought into the notice that the correctness certificate provided in the petition by RINL is dated 25th May, 2016 and the investigation was initiated on 2nd June 2016 meaning thereby the investigation was initiated in merely 7 days from the submission of the petition. This clearly shows that the Authority proceeded in extreme haste.
- j. Initiation of investigation is bad in law due to misleading data furnished by the applicant and improper evaluation of data by the Authority.

F.2. Miscellaneous submissions made by the Domestic Industry and considered relevant by the Authority are as follows:

- a. Increase in basic customs duty is a policy decision taken by the Government of India. Increase in the BCD cannot be considered as a remedy for countering injurious dumping. Further, the MIP imposed on certain iron and steel products is no longer applicable as of 4 February 2017. Therefore, the subject goods in the instant investigation are not subject to the MIP.
- b. Some interested parties are of the view that 22% return on capital employed is not justified in calculating non-injurious price. The domestic industry strongly objects to the above contention and submits that none of the interested parties have adduced evidence to demonstrate why 22% return on capital employed is not justified. In fact, in two recent CESTAT rulings, it has been observed that 22% return on capital employed is valid as per the consistent practice of the Designated Authority and the onus is on the party refuting it to demonstrate with evidence why 22% return is not justified. In this regard, the Designated Authority's attention is invited to CESTAT rulings in Merino Panel Products Ltd. v. Designated Authority, Final Order No. AD/A/53541/2015-CU[DB] dated 27 November 2015 and Eximcorp India Pvt. Ltd. v. Designated Authority, Final Order No. AD/A/53462/2016-CU[DB] dated 12 September 2016. In view of the above CESTAT orders, 22% return on capital employed is valid in the present case and should be affirmed definitively in the final findings.
- c. Section 9A (3) of the Act is with reference to history of dumping of the product. Petitioners request the Authority to recommend retrospective levy of anti-dumping duty on the subject goods because the conditions for retrospective levy of antidumping duty are fully satisfied.
- d. There is evidence of dumping of subject goods which is evident from the fact that many country including Australia, Canada, EU, USA etc. have initiated anti-dumping investigation against import of Wire Rods from China PR. Massive dumping of PUC into India has taken place in a relatively short period of time causing injury to the domestic industry.

- e. Exporters are well aware that they are resorting to dumping which is causing injury to the domestic industry since import prices of PUC have reduced significantly as evident from the landed values for subject country.

F.3 Examination by the Authority

32. Miscellaneous submissions made by the interested parties and considered relevant by the authority are examined and addressed as follows:

- f. As regards the submission that Authority has not issued notice to all the interested parties, it is the practice of the Authority to intimate only known parties at the time of initiation. Further, under Article 12.1, Authority is required to inform interested parties known to the investigating authorities. Further, any other interested party, which is not known to the Authority at the time of initiation, can submit its request and get non confidential version of application.
- g. With regard to the issue of captive consumption, Authority has already collected the same from the applicants.
- h. With regard to the issue that PUC covers wide range of products which vary in terms of price and cost, Authority notes that PUC is wire rods only and the variation in price and cost is only because of availability of PUC in various grades and sizes.
- i. The Authority notes that the production quantity figures for India have been sourced from the JPC data only wherever necessary. Further, Authority has relied upon DGCI&S import data in the present case.
- j. The interested parties have submitted that the Indian Domestic Industry is seeking over-protection, as it has been afforded multiple protections in the form of increase in basic customs duty (“BCD”) and imposition of a Minimum Import Price (“MIP”). In this regard, the authority notes that:
 - i. Increase in basic customs duty is a policy decision taken by the Government of India. Increase in the BCD cannot be considered as a remedy for countering injurious dumping.
 - ii. MIP was introduced by Government of India as a temporary measure and the same was in force for the subject goods till 4th February 2017.
- k. Information provided by the interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claim. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted and such information has been considered confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide sufficient non confidential version of the information filed on

confidential basis. The Authority made available the non-confidential version of the evidences submitted by various interested parties in the form of a public file.

- l. With regard to the contention of the interested parties that period of investigation should be more than 6 months, the Authority notes that according to recommendation of committee on anti-dumping practices (WTO document no. G/ADP/6 dated 16 May 2000):

"...the period of data collection for dumping investigations normally should be twelve months, and in any case no less than six months, ending as close to the date of initiation as is practicable"

- m. Therefore, in view of above recommendation, 6 months period can be taken as the POI. The Authority has taken six months POI in several other investigations as well. The Authority also notes that the initiation of the present investigation is in no way in violation of Trade Notice No. 2/2004.
- n. With regard to the contention of the interested parties that post POI trends should be examined, the Authority notes that in an original investigation, post POI trends are not relevant. In case of reviews initiated in terms of Rule 23 of the AD Rules, would post POI trends become relevant because the Authority has to examine the likelihood of continuation or recurrence of dumping and injury if anti-dumping duty is withdrawn.
- o. As regards the request for retrospective imposition of anti-dumping duty, Section 9A(3) of Customs Tariff Act provides as follows:

If the Central Government, in respect of the dumped article under inquiry, is of the opinion that

- i. there is a history of dumping which caused injury or that the importer was, or should have been, aware that the exporter practices dumping and that such dumping would cause injury; and
- ii. the injury is caused by massive dumping of an article imported in a relatively short time which in the light of the timing and the volume of imported article dumped and other circumstances is likely to seriously undermine the remedial effect of the anti-dumping duty liable to be levied,

the Central Government may, by notification in the Official Gazette, levy anti-dumping duty retrospectively from a date prior to the date of imposition of anti-dumping duty under sub-section (2) but not beyond ninety days from the date of notification under that sub-section, and notwithstanding anything contained in any law for the time being in force, such duty shall be payable at such rate and from such date as may be specified in the notification.

- p. Taking into account the facts of the case, the Authority does not find it an appropriate case for recommendation of retrospective imposition of anti-dumping duty.
- q. The present investigation has been initiated on the basis of prima facie analysis of the information/data furnished by the applicants showing dumping of subject goods from the subject country, injury to the applicants on account of the said dumping and causal link between the two. With regard to the contention of the opposing interested parties that the initiation of investigation is bad in law due to misleading data furnished by the applicants and improper evaluation of data by the Authority, the Authority notes that it has prima facie satisfied itself about the accuracy and adequacy of information on the basis of information furnished by the petitioners at the time of initiation.

F. Normal Value, Export Price and Dumping Margin

NORMAL VALUE

33. Under Section 9A(1)(c), normal value in relation to an article means:

- (i) *the comparable price, in the ordinary course of trade, for the like article when meant for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6); or*
- (ii) *when there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either-*

(a) comparable representative price of the like article when exported from the exporting country or territory or an appropriate third country as determined in accordance with the rules made under sub-section (6); or

(b) the cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and general costs, and for profits, as determined in accordance with the rules made under sub-section (6):

Provided that in the case of import of the article from a country other than the country of origin and where the article has been merely transshipped through the country of export or such article is not produced in the country of export or there is no comparable price in the country of export, the normal value shall be determined with reference to its price in the country of origin.

Provisions relating to Non- Market Economy country

34. Annexure-I to AD rules states as under:

7. In case of imports from non-market economy country, normal value shall be determined on the basis of the price or constructed value in the market economy third country, or the price from such a third country to other country, including India or where it is not possible, or on any other reasonable basis, including the price actually paid or payable in India for the like product, duly adjusted if necessary, to include a reasonable profit margin. An appropriate market economy third country shall be selected by the designated authority in a reasonable manner, keeping in view the level of development of the country concerned and the product in question, and due account shall be taken of any reliable information made available at the time of selection. Accounts shall be taken within time limits, where appropriate, of the investigation made in any similar matter in respect of any other market economy third country. The parties to the investigation shall be informed without any unreasonable delay the aforesaid selection of the market economy third country and shall be given a reasonable period of time to offer their comments.

8. (1) The term “non-market economy country” means any country which the designated authority determines as not operating on market principles of cost or pricing structures, so that sales of merchandise in such country do not reflect the fair value of the merchandise, in accordance with the criteria specified in sub-paragraph (3)

(2) There shall be a presumption that any country that has been determined to be, or has been treated as, a non-market economy country for purposes of an anti-dumping investigation by the designated authority or by the competent authority of any WTO member country during the three year period preceding the investigation is a non-market economy country

Provided, however, that the non-market economy country or the concerned firms from such country may rebut such a presumption by providing information and evidence to the designated authority that establishes that such country is not a non-market economy country on the basis of the criteria specified in sub-paragraph (3)

(3) The designated authority shall consider in each case the following criteria as to whether:

(a) the decisions of the concerned firms in such country regarding prices, costs and inputs, including raw materials, cost of technology and labour, output, sales and investment, are made in response to market signals

reflecting supply and demand and without significant State interference in this regard, and whether costs of major inputs substantially reflect market values;

(b) the production costs and financial situation of such firms are subject to significant distortions carried over from the former non-market economy system, in particular in relation to depreciation of assets, other write-offs, barter trade and payment via compensation of debts;

(c) such firms are subject to bankruptcy and property laws which guarantee legal certainty and stability for the operation of the firms, and

(d) the exchange rate conversions are carried out at the market rate.

Provided, however, that where it is shown by sufficient evidence in writing on the basis of the criteria specified in this paragraph that market conditions prevail for one or more such firms subject to anti-dumping investigations, the designated authority may apply the principles set out in paragraphs 1 to 6 instead of the principles set out in paragraph 7 and in this paragraph”.

Submissions made by Exporters, Importers, Users and other Interested Parties

35. Various submissions made by the interested parties with regard to MET, Normal value, export price and dumping margin and considered relevant by the Authority are examined and addressed as follows:
- a. While determining the normal value for China PR, domestic selling prices and cost of Chinese producers should be considered as China PR has transitioned to a market economy in December 2016 as per its accession protocol to the WTO.
 - b. Applicants have directly constructed normal value without considering the constructed value in China or the price from any other third country to India in violation of Annexure I(7) of the AD Rules. Reliance is placed on the decision of the Apex Court in the case of Shenyang Matsushita S. Battery Co. Ltd. V. Exide Industries Ltd & Others wherein it was held that Authority is required to construct normal value after sequentially applying the different methods mentioned in Annexure I(7) of the AD Rules.
 - c. The petitioners have considered constructed normal value based on cost of the DI. The cost of most efficient producer should alone be considered based on consistent practice of the Authority.
 - d. The Authority has violated Article 5.3 of the ADA by accepting the export price and normal value data for different periods. The Authority has not determined the dumping margins by making comparison between the export price and normal value in respect of sales made at same point of time. Applicants have not

disclosed whether the normal value has been determined for POI period or any other period.

- e. Jiangsu Shangang International Trade Co. Ltd. ("Jiangsu") has requested the Authority to accept its questionnaire response and compute an individual dumping margin for its supply chain as there is no obligation on its related producers to provide data in Appendix-2 because they have not exported to India. Further, Jiangsu has submitted that the Authority has arbitrarily rejected the questionnaire responses filed on behalf of Jiangsu Shaganag International Trade Co. Ltd as unrelated traders have not furnished the information and has accordingly applied 'facts available'.
- f. Benxi Beitai Gaosu Steel Wire Rod Co. Ltd. ("BBG") has submitted that non-filing of response of M/s. Ningbo CIMEI Import & Export Co. Ltd. (Ningbo), its related exporter should not be considered as quantum of exports through Ningbo to India is insignificant in relation to its total exports to India. Further, Ningbo has filed its belated response on 04.11.2017. It has also been submitted that non reporting of sales in Appendix 2 by Benxi Beiying Iron and Steel Group Imp. and Exp. Corp. Ltd., China (BBIE), related exporter of BBG, should not be considered as BBG has reported these details in Appendix 2 provided as part of response filed by it and BBIE is only acting as export agency for its producer BBG. In view of the above, BBG has requested the Authority to accept its questionnaire response and compute an individual dumping margin for its supply chain.
- g. Jiangyin Xingcheng Alloy Material Co. Ltd. ("JXAM"), producer and Jiangying Xingcheng Special Steel Works Co. Ltd. ("JXSS"), exporter; have submitted that producer and exporter are related parties and the producer in fact referred to the Appendix 2 filed by the related exporter to avoid duplicate filing as the exporter is the custodian entity of relevant exports data to India. Notwithstanding the above, Appendix 2 was once again filed on behalf of the petitioner but a week prior to the PF. In the view of above, response filed by JXAM and JXSS should not be rejected for the reason that producer has not provided Appendix in the EQ response.
- h. Appendix 2, filed by interested parties after expiry of initial 40 days time to file EQ response, should be accepted by the Authority.

Submissions made by the Domestic industry

36. Various general submissions made by the domestic industry with regard to MET, Normal value, export price and dumping margin during the course of the investigation and considered relevant by the Authority are as follows:

- a. The contention raised by interested parties that the Appellate Body in EC-Fastener provided strong justification for China to automatically obtain market-economy status is incorrect. There is no such observation in the Appellate Body Report. The Appellate Body Report was adopted by the WTO DSB on 28 July 2011 i.e. five years before the date of expiry of 11 December 2016. In EC-Fastener, imposition of definitive anti-dumping duties by the EU on imports of certain iron or steel fasteners originating in China PR was under challenge before the WTO DSB. Clearly, the issue regarding China's status as a market economy country was not before the WTO Appellate Body. Interested parties have also not cited any specific observations from the Appellate Body report to support their contention that 'strong justification' was provided by the Appellate Body to grant market economy status to China PR automatically.
- b. China's accession protocol does not provide that China will get market-economy status after fifteen years automatically. It just says that a very specific provision of para 15 (a)(ii) will cease to apply. The other parts of Article 15 (including Article 15(a)(i)) continue to apply. Article 15(a) clearly provides that the importing WTO Member shall use either Chinese prices or costs for the industry under investigation or a methodology that is not based on a strict comparison with domestic prices. Article 15(a)(i) further provides that Chinese prices or costs shall be used if the producers under investigation can clearly show that market economy conditions prevail. Given these explicit provisions in the Accession protocol, the interpretation advanced by the interested parties that China must be treated as market economy country after 15 years results in imputing meaning to a mere expiration provision and reading into the text something that is not there. It also negates all the other provisions of the protocol which are in force. Rules of international treaty interpretation simply does not allow such possibility, leave alone the rule of pacta sunt servanda that the interested parties rely on at length to substantiate its contention.
- c. Annexure 1, Rule 8(4) of the Anti-dumping Rules, 1995 clearly provides that the Designated Authority (DA) may treat such country as market economy country which, on the basis of the latest detailed evaluation of criteria, has been treated as a market economy country for the purpose of anti-dumping investigations, by a WTO member country. There is no evidence provided by the interested parties to satisfy this criteria for China PR.
- d. The date of initiation of present investigation was June 2, 2016. The date of expiry contemplated in China PR's accession protocol is December 11, 2016. Even if the expiration of provision has the stated effect as alleged by the interested parties, the same cannot be applied with retrospective effect so as to apply to investigations that were initiated prior to December 11, 2016.

- e. None of the Chinese producers can satisfy market economy status. None of the WTO Member country has granted market economy status to Chinese producers on the basis of the latest detailed evaluation of relevant criteria.
- f. Unless the responding Chinese exporters conform to the standards laid down under the Rules, the Designated Authority is required to determine the normal value in accordance with Para 7 of Annexure-I to the Rules.
- g. None of the interested parties have suggested a surrogate country to the Designated Authority. Therefore, there is no merit in the submissions made by the interested parties that the Authority should have proceeded sequentially while determining the normal value for China PR.
- h. Petitioners urges the Authority to maintain the same stand taken in respect to the submissions filed by the Chinese exporters in the final findings as well. The incomplete responses filed by producers/exporters should not be accepted by the Authority and the dumping margin for these supply chains should be based on best facts available.
- i. With regard to cooperation by interested parties, the domestic industry further submits that there is a strict requirement placed by investigating authorities in other WTO member countries. In case of countervailing duty investigation concerning imports of Certain Corrosion Resistant Steel Products from India conducted by United States, the US Department of Commerce ("USDOC") has treated an exporter as non-cooperative just because the exporter has failed to inform the USDOC that related company supplying a miniscule quantity of raw material was in operation for the final two months of the POI.
- j. It is the global practice that suppression of facts and non-cooperation should lead to rejection of questionnaire response. The Designated Authority should make similar obligations on exporters and treat them non-cooperative for the reasons cited above.
- k. It is also requested that in calculation of the ex-factory export price, bank charges should also be reduced as deduction from the export price of the exporters for fair comparison wherever not deducted.

Examination by the Authority

Market Economy claims for Chinese producers

37. Article 15 of China's Accession Protocol provides as follows:

"Article VI of the GATT 1994, the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 ("Anti-Dumping

Agreement") and the SCM Agreement shall apply in proceedings involving imports of Chinese origin into a WTO Member consistent with the following:

(a) *In determining price comparability under Article VI of the GATT 1994 and the Anti-Dumping Agreement, the importing WTO Member shall use either Chinese prices or costs for the industry under investigation or a methodology that is not based on a strict comparison with domestic prices or costs in China based on the following rules:*

(i) *If the producers under investigation can clearly show that market economy conditions prevail in the industry producing the like product with regard to the manufacture, production and sale of that product, the importing WTO Member shall use Chinese prices or costs for the industry under investigation in determining price comparability;*

(ii) *The importing WTO Member may use a methodology that is not based on a strict comparison with domestic prices or costs in China if the producers under investigation cannot clearly show that market economy conditions prevail in the industry producing the like product with regard to manufacture, production and sale of that product.*

(b) *In proceedings under Parts II, III and V of the SCM Agreement, when addressing subsidies described in Articles 14(a), 14(b), 14(c) and 14(d), relevant provisions of the SCM Agreement shall apply; however, if there are special difficulties in that application, the importing WTO Member may then use methodologies for identifying and measuring the subsidy benefit which take into account the possibility that prevailing terms and conditions in China may not always be available as appropriate benchmarks. In applying such methodologies, where practicable, the importing WTO Member should adjust such prevailing terms and conditions before considering the use of terms and conditions prevailing outside China.*

(c) *The importing WTO Member shall notify methodologies used in accordance with subparagraph (a) to the Committee on Anti-Dumping Practices and shall notify methodologies used in accordance with subparagraph (b) to the Committee on Subsidies and Countervailing Measures.*

(d) *Once China has established, under the national law of the importing WTO Member, that it is a market economy, the provisions of subparagraph (a) shall be terminated provided that the importing Member's national law contains market economy criteria as of the date of accession. In any event, the provisions of subparagraph (a)(ii) shall expire 15 years after the date of accession. In addition, should China establish, pursuant to the national law of the importing WTO Member, that market economy conditions prevail in*

a particular industry or sector, the non-market economy provisions of subparagraph (a) shall no longer apply to that industry or sector.”

38. Article 15 implies that provisions of one of the sub-paragraph shall expire 15 years from date of China’s Accession. The provisions of this sub-paragraph expired on 11thDec., 2016. Since the factum of dumping causing injury to the domestic industry is established based on investigation period, the conditions prevalent during the investigation period alone is relevant, appropriate and necessary for the purpose of present investigation. The Period of Investigation (POI) for the purpose of the present review is July 2015 to December 2015. Since the subparagraph of Article 15 was in existence during the period of investigation, the Authority is entitled to use a methodology that is not based on a strict comparison with domestic prices or costs in China if the producers under investigation cannot clearly show that market economy conditions prevail in the industry producing the like product with regard to manufacture, production and sale of that product.
39. The Authority notes that in the past three years China PR has been treated as a non-market economy country in anti-dumping investigations by India and other WTO Members. China PR has been treated as a non-market economy country subject to rebuttal of the presumption by the exporting country or individual exporters in terms of the Rules.
40. As per Paragraph 8, Annexure I to the AD Rules as amended, the presumption of a non-market economy can be rebutted if the exporter(s) from China PR provides information and sufficient evidence on the basis of the criteria specified in sub paragraph (3) in Paragraph 8 . The cooperating exporters/producers of the subject goods from People's Republic of China are required to furnish necessary information/sufficient evidence as mentioned in sub-paragraph (3) of paragraph 8 in response to the Market Economy Treatment questionnaire to enable the Designated Authority to consider the following criteria as to whether:-
- a. The decisions of concerned firms in China PR regarding prices, costs and inputs, including raw materials, cost of technology and labour, output, sales and investment are made in response to market signals reflecting supply and demand and without significant State interference in this regard, and whether costs of major inputs substantially reflect market values.
 - b. The production costs and financial situation of such firms are subject to significant distortions carried over from the former non-market economy system, in particular in relation to depreciation of assets, other write-offs, barter trade and payment via compensation of debts.
 - c. Such firms are subject to bankruptcy and property laws which guarantee legal certainty and stability for the operation of the firms.
 - d. The exchange rate conversions are carried out at the market rate.

41. It is noted that none of producers of subject goods in China PR have claimed market economy treatment. Accordingly, the Authority is not required to examine any of the above criteria and held that producers/exporters from China PR are not operating under market economy conditions.

Determination of Normal Value

42. The Authority sent questionnaires to the known exporters/producers from the subject country, advising them to provide information in the form and manner prescribed. The following parties have filed exporter questionnaire responses:

1. Jiangsu Shagang Material Trade Co. Ltd. (Exporter)
2. B&L Metal (HK) Limited (Exporter)
3. Jinagsu Runzhong High Tech Co. Ltd (Producer)
4. Zhangjiagang Shajing Steel Co. Ltd. (Producer)
5. Zhangjiagang Hongxing Gaoxian Co. Ltd (Producer)
6. Zhangjiagang Rongsheng Steel Making Co. Ltd. (Producer)
7. Jinagsu Shagang International Trade Co. Ltd. (Exporter)
8. B&L International Investment Co. Ltd. (Exporter)
9. Zhangjiagang Hongchang Gaoxian Co. Ltd.(Producer)
10. Zhangjiagang Runzhong Steel Co. Ltd. (Producer)
11. Xinsha International Pte. Ltd. (Exporter)
12. Minmetals Yingkou Medium Plate Co. Ltd. (Producer)
13. Sinomaterial International Co. Ltd. (Exporter)
14. Manuchar Steel Hong Kong Limited Exporter)
15. Burwill Resources Limited (Exporter)
16. Jiangsu Yonggang Group Co. Ltd. (Producer)
17. Genesis Resources Co. Ltd (Hong Kong)
18. Smart Timing Steel Limited (Exporter)
19. Toptip Holding Pte. Ltd. (Exporter)
20. Zenith Steel Group Co. Ltd. (Producer)
21. Hangzhou Cogeneration (Hong Kong) Co. Limited (Exporter)
22. Unisteel International DMCC (Exporter)
23. Win Faith Trading Limited (Exporter)
24. Benxi Iron and Steel Hong Kong Limited (Exporter)
25. Benxi Beiyong Iron and Steel Group Imp. And Exp. Corp. Ltd.
(Exporter)

26. Benxi Beitai Gaosu steel Wire Rod Co. Ltd. (Producer)
 27. Future Materials Industry (Hong Kong) Co. Limited (Exporter)
 28. Jiangyin Xingcheng Alloy Material Co., Ltd (Producer)
 29. Jiangyin Xingcheng Special Steel Works Co., Ltd (Exporter)
43. Further, the following exporters/traders have filed only Appendix-2 and 3A instead of filing the complete questionnaire response.
1. HongKong Grand International Co. Ltd.
 2. Hyosung Corporation
 3. Steelco Pacific Trading Limited
 4. Steelforce Far East Ltd.
 5. Tata International Metals (Asia) Limited
 6. Unisteel International DMCC (Seperately filed)
44. It is noted that none of the producers of subject goods in China PR have claimed market economy treatment. Therefore, the Authority has adopted the constructed normal value for determination of the normal value in terms of Para-7 to Annexure-1 to the Rules.
45. With regard to the contention of interested parties that Authority is required to construct normal value after sequentially applying the different methods mentioned in Annexure I(7) of the AD Rules, Authority notes that none of the interested parties have either suggested a surrogate country to the Designated Authority or provided any credible data in this regard. Therefore, the authority has constructed the normal value on the basis of best available facts as described in the following paragraphs.
46. With regard to contention that Authority has violated Article 5.3 of the ADA by accepting the export price and normal value data for different periods, the Authority notes that submission made by the interested parties is devoid of any merit as normal value and export price is determined for POI only.

Methodology for determination of normal value

47. In view of the above, the normal value for China PR is required to be determined as per the procedure described in Para 7 of the Annexure I to the Anti-dumping Rules. As per the provisions of Para 7 of Annexure I, the normal value in China PR is required to be determined based on domestic selling prices in a market economy third country, or the constructed value in a market economy third country, or the export prices from such a third country to any other country, including India. However, if the normal value cannot be determined on the basis of the alternatives

mentioned above, the Designated Authority may determine the normal value on any other reasonable basis, including the price actually paid or payable in India for the like product, duly adjusted to include reasonable profit margin.

48. In the absence of any reliable price and cost details for the subject goods in any market economy third country, the Designated Authority has constructed the normal value for China PR on the basis of price actually paid or payable in India for the like product, duly adjusted, to include a reasonable profit margin. Accordingly, the Normal Value for all the exporters from China PR has been determined and the same is shown in the Dumping Margin Table below.

EXPORT PRICE

M/s Benxi Beitai Gaosu Steel Wire Rod Co., Ltd., China PR (Producer) through related traders M/s. Benxi Beiying Iron and Steel Group Imp. and Exp. Corp. Ltd, China PR, M/s. Benxi Iron and Steel Hong Kong Limited (Hong Kong) and unrelated traders, M/s. Hangzhou Cogeneration (Hong Kong) Co. Limited (Hong Kong), M/s. Win Faith Trading Limited (Hong Kong), M/s. Future Materials Industry (Hong Kong) Co. Limited (Hong Kong), M/s Ningbo CIMEI Import & Export Co. Ltd., China (Exporter / Trader) and M/s. Unisteel International DMCC (UAE)

49. From the response filed by M/s Benxi Beitai Gaosu Steel Wire Rod Co., Ltd., China PR ("BBG"), Authority notes that BBG is the producer of the subject goods in China PR. BBG sold the subject goods to its related company, M/s. Benxi Beiying Iron and Steel Group Imp. and Exp. Corp. Ltd. ("BBIE") who in turn sold the subject goods to another related trading company, M/s. Benxi Iron and Steel Hong Kong Limited and also to unrelated traders, M/s. Hangzhou Cogeneration (Hong Kong) Co. Limited (Hong Kong), M/s. Win Faith Trading Limited (Hong Kong), M/s. Future Materials Industry (Hong Kong) Co. Limited, M/s. Unisteel International DMCC (UAE), M/s. Ningbo CIMEI Import & Export and Manuchar Steel Hong Kong Limited. M/s. Benxi Iron and Steel Hong Kong Limited and the above named unrelated traders exported the subject goods to India.
50. From the response submitted by BBG and BBIE, Authority notes that BBIE is a related trader of BBG and enters into contracts with customers and issues invoices in its own name. However, in the response filed by BBG it has been stated that BBIE is acting as an export agency of BBG. BBIE has not filed a complete response and has submitted only Appendix-9. BBG has however subsequently accepted these facts in its written submissions and has noted that it submitted Appendix-2 for BBIE on May 1, 2017 i.e. after issuance of the preliminary findings . Further, BBG has not shown name of customer as BBIE in its response. Accordingly, Authority is of the view that BBG and BBIE have tried to suppress and misrepresent the details before the authority.

51. Further, out of the above-mentioned companies, M/s Ningbo CIMEI Import & Export has filed its response on 4th November, 2016 i.e. after issuance of the preliminary findings and Manuchar Steel Hong Kong Limited has not reported any exports to India manufactured by BBG. Therefore, in view of absence of complete information from BBIE including suppression of facts by trader(s) and submission of responses after expiry of the deadline mandated for filing responses, the Authority does not accept the response filed by BBG and its traders/exporters. Accordingly, the export price for BBG is based on the facts available with the Authority.

Jinagsu Runzhong High Tech Co. Ltd, Zhangjiagang Shajing Steel Co. Ltd., Zhangjiagang Hongxing Gaoxian Co. Ltd, Zhangjiagang Rongsheng Steel Making Co. Ltd., Zhangjiagang Hongchang Gaoxian Co. Ltd., and Zhangjiagang Runzhong Steel Co. Ltd. (Producers) exported through related traders Jinagsu Shagang International Trade Co. Ltd., Jiangsu Shagang Material Trade Co. Ltd, Xinsha International Pte. Ltd. and unrelated traders B&L Metal (HK) Limited, B&L International Investment Co. Ltd., HongKong Grand International Co. Ltd., Hyosung Corporation, Steelco Pacific Trading Limited, Steelforce Far East Ltd ,Tata International Metals (Asia) Limited and Unisteel International DMCC

52. From the response filed by above companies, Authority notes that subject goods were produced by six related companies namely, M/s. Jinagsu Runzhong High Tech Co. Ltd, Zhangjiagang Shajing Steel Co. Ltd., Zhangjiagang Hongxing Gaoxian Co. Ltd, Zhangjiagang Rongsheng Steel Making Co. Ltd., Zhangjiagang Hongchang Gaoxian Co. Ltd., and Zhangjiagang Runzhong Steel Co. Ltd.

53. The subject goods manufactured by these producers are exported through related traders namely, M/s. Jinagsu Shagang International Trade Co. Ltd., M/s. Jiangsu Shagang Material Trade Co. Ltd., M/s. Xinsha International Pte. Ltd. and unrelated traders namely, M/s. B&L Metal (HK) Limited (Hong Kong), B&L International Investment Co. Ltd., M/s. HongKong Grand International Co. Ltd., M/s. Hyosung Corporation, M/s. Steelco Pacific Trading Limited, M/s. Steelforce Far East Ltd, M/s. Tata International Metals (Asia) Limited, M/s. Unisteel International DMCC, Manuchar Steel Hong Kong Limited, M/s. Thyssenkrupp Mannex Asia Pte Ltd, UIL Hongkong Ltd., Gallop Resources Pte Ltd. M/s. Cumeric Steel Limited and M/s. Smart Timing Steel Limited.

54. Out of the above mentioned companies, M/s. Thyssenkrupp Mannex Asia Pte Ltd, UIL Hongkong Ltd. Gallop Resources Pte Ltd. and Cumeric Steel Limited have not filed any response. In addition, M/s. Smart Timing Steel Limited and Manuchar Steel Hong Kong Limited have not reported exports to India manufactured by these producers. Further, the responses filed by M/s. HongKong Grand International Co. Ltd., M/s. Hyosung Corporation, M/s. Steelco Pacific Trading Limited, M/s. Steelforce Far East Ltd, M/s. Tata International Metals (Asia) Limited are grossly incomplete. These traders have submitted only Appendix-2 and 3A and no other information has been provided by these traders. Filing of EQR is not a mere

formality to be fulfilled by submission of selective information as per the convenience of the exporters.

55. Further, none of the producers have submitted the information relating to exports to India in Appendix-2. In the absence of information in Appendix-2 from the producers it is not possible to ascertain the ex-factory export price to India.

56. In view of the aforesaid reasons, the Authority rejects the response by these companies. Accordingly, the export price for M/s. Jinagsu Runzhong High Tech Co. Ltd, Zhangjiagang Shajing Steel Co. Ltd., Zhangjiagang Hongxing Gaoxian Co. Ltd, Zhangjiagang Rongsheng Steel Making Co. Ltd., Zhangjiagang Hongchang Gaoxian Co. Ltd and Zhangjiagang Runzhong Steel Co. Ltd. is based on the facts available with the Authority.

Jiangsu Yonggang Group Co. Ltd. (Producer) exported through M/s. Sinomaterial International Co. Ltd., M/s. Manuchar Steel Hong Kong Limited, M/s. Burwill Resources Limited and other traders

57. From the response filed by the producers and exporters, Authority notes that subject goods were produced by Jiangsu Yonggang Group Co. Ltd and exported through unrelated traders namely, M/s. Sinomaterial International Co. Ltd., M/s. Manuchar Steel Hong Kong Limited, Burwill Resources Limited, Smart Timing Steel Limited, Metal One (Shanghai) Corporation, Navex Asia Limited, Wa Trading Co., Limited., Tewoo Metal (H.K.) Limited, Tata International Metals (Asia) Limited and Steelforce Far East Ltd.

58. Out of the above mentioned companies, Metal One (Shanghai) Corporation , Navex Asia Limited, Wa Trading Co., Limited., Tewoo Metal (H.K.) Limited, Tata International Metals (Asia) Limited, and Steelforce Far East Ltd have not filed response. Further, M/s. Smart Timing Steel Limited has not reported exports to India manufactured by Jiangsu Yonggang Group Co. Ltd. Further, quantity of exports to India reported by M/s. Burwill Resources Limited and Sinomaterial International Co. Ltd is not matching with the quantity reported by Jiangsu Yonggang Group Co. Ltd.

59. Therefore, in view of the aforesaid reasons including suppression of facts, the Authority rejects the response filed by these companies. Accordingly, the export price for Jiangsu Yonggang Group Co. Ltd is based on the facts available with the Authority.

Zenith Steel Group Co. Ltd. (Producer), Genesis Resources Co. Ltd (Hong Kong) Smart Timing Steel Limited (Hong Kong/Exporter), Toptip Holding Pte. Ltd. (Exporter)

60. From the response filed by the producer, M/s. Zenith Steel Group Co. Ltd, Authority notes that producer has exported the subject goods to India through Genesis Resources Co. Ltd (Hong Kong), Toptip Holding Pte. Ltd. (Singapore) and Win Faith Trading Limited, China PR. Win Faith Trading Limited, China PR has not cooperated with the Authority. Toptip Holding Pte. Ltd has further resold the entire quantity to another trader M/s. Cargill International Trading Co., Singapore who has not filed any response. Genesis Resources Co. Ltd (Hong Kong) has sold the subject goods to Smart Timing Steel Limited (Hong Kong) who in turn resold the subject goods to DHAMM SK A, Switzerland, which also failed to cooperate with the Authority.
61. Therefore, in view of non-cooperation by aforesaid traders/exporters, the Authority does not accept the response filed by these companies . Accordingly, the export price for Zenith Steel Group Co. Ltd is based on the facts available with the Authority.

Minmetals Yingkou Medium Plate Co., Ltd. (Producer cum Exporter)

62. From the response filed by Minmetals Yingkou Medium Plate Co., Ltd. ("MYMP"), Authority notes that MYMP has exported the subject goods directly to India during the POI.
63. The sales to Indian customers are on CFR basis. MYMP has claimed adjustments on account of inland freight, port charges, ocean freight and bank charges and same have been allowed. The Authority has made further adjustment on account of non-refundable VAT. Accordingly, the weighted average export price has been determined for MYMP at ex-factory level and the same is shown in the Dumping Margin Table below.

Jiangyin Xingcheng Alloy Material Co., Ltd (Producer) exported through Jiangyin Xingcheng Special Steel Works Co., Ltd

64. From the response filed by the producer and exporter, Authority notes that subject goods were produced by Jiangyin Xingcheng Alloy Material Co., Ltd ("JXAM") and exported through related trading company Jiangyin Xingcheng Special Steel Works Co., Ltd ("JXSS"). At the time of issuance of Preliminary Findings, the Authority did not provisionally accept the response of JXAM on the ground that JXAM did not submit information relating to exports to India in Appendix-2 and in the absence of such information in Appendix-2 it was not possible to ascertain the ex-factory export price to India.

65. It has been subsequently submitted by JXAM that the company has submitted the Appendix-2 before the issuance of preliminary findings. The authority has examined this issue and found that JXAM had submitted Appendix-2 much after the due date. Despite belated submission, the authority has examined the response filed by JXAM & JXSS since JXAM in its initial submission had referred to Appendix 2 filed by the trader JXSS for its exports to India. The Authority on detailed scrutiny of the responses from JXAM and JXSS has however noted as under:
66. JXAM has submitted that its products have been exported to India and other 3rd countries through JXSS. Similarly, JXSS has submitted that it has exported the subject goods manufactured by JXAM to India and other 3rd countries. However, the exports quantity reported by JXAM in its response does not match with the exports quantity reported by JXSS in its response.
67. In Appendix-4, JXAM has reported that it has only exported the subject goods to 3rd countries and has not reported any exports to India in the said Appendix. So there is internal mismatch between the information provided by JXAM in its response.
68. JXSS has also not submitted information in Appendix-7 & 9. In the absence of the complete information in Appendix-7 & 9, it is not possible for the authority to ascertain whether JXSS has recovered its SGA expenses and made a reasonable profit on its exports to India.
69. Therefore, in view of above, the Authority does not accept the response filed by JXAM & JXSS. Accordingly, the export price for JXAM is proposed to be based on the facts available with the Authority.

Export Price for non-cooperating producers and exporters

70. The Authority notes that no other producer/exporter from China PR has responded to the Authority in the present investigation. For all the non-cooperative producers/exporters in China PR, the Authority has determined the weighted average export price for Wire Rods on the basis of best available information and the same is shown in the Dumping Margin Table below.

DUMPING MARGIN

71. The export price to India (net of all the adjustments claimed by the exporter and accepted by the Authority) has been compared with the normal value to determine the dumping margin. The dumping margin during the POI for all the exporters/producers from the subject country has been determined as shown in the Dumping Margin Table below.

Dumping Margin Table

S.No	Country	Producer	Exporter	Normal Value USD	Net Export Price USD	Dumping Margin USD	Dumping Margin %	Dumping Margin Range %
1.	China PR	Minmetals Yingkou Medium Plate Co., Ltd.	Minmetals Yingkou Medium Plate Co., Ltd.	***	***	***	***	50-60
2.	China PR	Others	Others	***	***	***	***	90-100

72. It is seen that the dumping margins are quite significant in respect of the exports made by all the producers-exporters of the product under consideration from the subject country.

G. Determination of Injury and Causal Link

73. Rule 11 of Antidumping Rules read with Annexure –II provides that an injury determination shall involve examination of factors that may indicate injury to the domestic industry, “.... taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on domestic producers of such articles....”. In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree.

74. For the examination of the impact of the dumped imports on the domestic industry in India, indices having a bearing on the state of the industry such as production, capacity utilization, sales volume, stock, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the AD Rules.

Views of Exporter, importers and other Interested Parties regarding the injury claims of domestic industry

75. The submissions made by the opposing interested parties with regard to injury related issues and considered relevant by the authority are as follows:

- a. The injury, if any, to the DI is caused by factors including decline in export performance, increased interest costs, increased cost of sales per unit etc. Production capacity of the domestic producers has not increased in line with domestic demand. Demand of subject goods increased from 100 index units in

2012-13 to 160 points in POI (Annualised). The increase in imports is only to bridge the demand supply gap.

- b. JSW's Karnataka plant was closed during the POI (Q2) for which no disclosure has been made in the petition. Authority should provide revised injury information after making adjustments for the closure of Karnataka plant. The DI has expanded its capacity and the production of the DI has significantly improved from the base year. Thus there is no adverse impact on these factors.
- c. There is no adverse impact on profitability due to alleged imports. The profits of the DI have declined due to rise in per unit cost of interest from 100 points in 2012-13 to 177 point in the POI. Moreover, the negative price undercutting shows that the landed price of imports are not affecting the domestic prices.

Views of the domestic industry

76. The following are the submissions with regard to injury related issues made by the domestic industry and considered relevant by the Authority:

- a. Imports of the subject goods have increased in absolute terms over the entire period of investigation. Imports of PUC from the subject country have increased in absolute terms.
- b. Imports of the subject goods have increased relative to production and also relative to consumption in India as well in absolute terms.
- c. Market share of the Domestic Industry has decreased even though demand for the subject goods has been rising in India. This is due to the reason that imports have aggressively captured the increase in demand and the market share of imports from subject country sharply increased from 2012-13 to POI (A).
- d. The Domestic Industry has not been able to increase its production and sales commensurate with the increase in demand.
- e. Inventories of the Domestic Industry have been on the rise as the Domestic Industry has not been able to increase its sales despite increase in demand. Imports have been aggressively capturing the demand in India.
- f. There is significant price depression and suppression due to low priced dumped imports coming into India.
- g. The Domestic Industry's profitability and return on capital employed have been drastically affected. The return on capital employed, net profits and cash profits

have followed a negative trend during the entire injury period and the losses have further aggravated during the POI.

- h. The export performance of the Domestic Industry in no way has affected its financial and economic situation. Also, the petitioners have ignored the information related to exports while examining the injury parameters and the entire injury analysis is based only on domestic performance of petitioners.
- i. The analysis overwhelmingly indicates that the Domestic Industry is suffering material injury due to increasing dumped imports of PUC into India. There exists a strong nexus between the increase in dumped imports of the subject goods and the material injury being suffered by the Domestic Industry.
- j. At the time of placing orders with the domestic industry, the customers insist that the Domestic Industry must match the price with the offer given by the foreign producer during the same month, though the offer given by a foreign supplier would be delivered only after 2 months. Therefore, the proper comparison for price undercutting should be between the domestic sales realisation with two months lag. If the Authority takes into account this time lag issue, price undercutting would be evident.
- k. It is also pertinent to note that during the recent periods, the landed value of imports of the subject goods have declined much more than the decline in raw material prices. Further, it should be noted that imports have come at grossly low prices and the domestic industry has been forced to match such low prices to the extent that their prices have gone below the cost of production of the domestic industry.
- l. Interested parties have submitted that injury being suffered by the domestic industry is due to their own internal factors such as high fixed cost burden and underutilized capacities. These claims are very general and without any facts and figures to support. The fact that injury has been caused due to dumped imports of the subject goods in India has already been established. The domestic industry has been in existence since many years and has been doing well in the past.

Examination of the issues by the Authority

77. The submissions made by the domestic industry and other interested parties during the course of investigations with regard to injury and causal link and considered relevant by the Authority are examined and addressed as under :
 - a. The Authority notes that landed value of imports of the subject goods from the subject country has declined substantially during POI and the domestic industry

had to lower its selling prices during POI to match the reduced landed value of imports .

- b. With regard to the export performance of the domestic industry, the Authority notes that entire injury analysis is based only on the domestic performance of the petitioners.
- c. The Authority has further analysed the contention of the interested parties to the effect that injury being suffered by the domestic industry is due to their own internal factors including high fixed cost burden and underutilized capacities. The fact that injury has been caused due to the dumped imports of the subject goods in India has been established in the succeeding paragraphs.

Volume Effect of Dumped Imports and Impact on Domestic Industry

Assessment of Demand

78. The demand of subject goods has been determined by adding the domestic sales of Indian producers of like product with the imports of the subject goods from all country. For the purpose of present injury analysis, the Authority has relied on the import data procured from DGCI&S. The Authority notes that demand of subject goods increased over the injury period as can be seen in the table below:

Particulars (in MT)	2012-13	2013-14	2014-15	April 2015- Dec 2015 (A)	POI (Jul 2015- Dec 15)	POI (A)
Total dumped imports from subject country	1,60,582	1,16,366	7,70,493	8,27,721	4,95,732	9,91,463
Imports from other countries	2,03,688	71,595	1,00,927	1,06,142	53,835	1,07,670
Total imports	3,64,270	1,87,961	8,71,420	9,33,863	5,49,567	10,99,134
Domestic sales of petitioners	11,55,858	12,26,631	10,83,019	15,03,914	7,82,421	15,64,842
Domestic sales of supporters	6,21,818	6,22,535	6,63,185	7,07,817	3,63,094	7,26,188
Domestic sale of other producers	8,53,170	11,97,538	10,53,228	13,54,427	6,76,625	13,53,250
Total Demand/Apparent consumption	29,95,116	32,34,665	36,70,853	45,00,022	23,71,707	47,43,414

Import Volumes and Share of Subject country

79. With regard to the volume of the dumped imports, the Authority is required to consider whether there has been a significant increase in dumped imports, either in

absolute terms or relative to production or consumption in India. The volume of imports of the subject goods from the subject country has been analyzed as under:

Particulars (in MT)	2012-13	2013-14	2014-15	April 2015- Dec 2015 (A)	POI (Jul 2015- Dec 15)	POI (A)
Dumped imports from subject country	1,60,582	1,16,366	7,70,493	8,27,721	4,95,732	9,91,463
Trend	100	72	480	515	309	617
Imports from other countries	2,03,688	71,595	1,00,927	1,06,142	53,835	1,07,670
Trend	100	35	50	52	26	53
Total Imports	3,64,270	1,87,961	8,71,420	9,33,863	5,49,567	10,99,134
Trend	100	52	239	256	151	302
Total Demand/Apparent consumption	2,995,116	3,234,665	3,670,853	4,500,022	2,371,707	4,743,414
Trend	100	108	123	150	79	158
Dumped imports from Subject Country relative to consumption	5%	4%	21%	18%	21%	21%
Production of Petitioners	1,477,972	1,609,278	1,503,065	1,780,457	903,145	1,806,291
Dumped imports from Subject Country relative to petitioners' total production	11%	7%	51%	46%	55%	55%

80. The Authority notes as under from the above table:

- a. Imports of subject goods from China PR have increased in absolute terms from 1,60,582 MT in 2012-13 to 9,91,463 MT in POI (A).
- b. Imports of subject goods from China PR have increased in relation to petitioners' production from 11% in 2012-13 to 55 % in POI (A).
- c. Imports of subject goods from China PR have increased in relation consumption in India from 5% in 2012-13 to 21% in POI (A).

Price Effect of the Dumped Imports on the Domestic Industry

81. With regard to the effect of the dumped imports on prices, Annexure II (ii) of the Rules lays down as follows:

"With regard to the effect of the dumped imports on prices as referred to in sub-rule (2) of rule 18 the Designated Authority shall consider whether there has

been a significant price undercutting by the dumped imports as compared with the price of like product in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increase which otherwise would have occurred to a significant degree."

82. It has been examined whether there has been a significant price undercutting by the dumped imports as compared with like product in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. The impact of dumped imports on the prices of the domestic industry has been examined with reference to the price undercutting, price suppression and price depression.

Price Undercutting

83. In order to determine whether the imports are undercutting the prices of the domestic industry in the market, the Authority has compared landed price of imports with net sales realization of the domestic industry. In this regard, a comparison has been made between the landed value of the product and the average selling price of the domestic industry net of all rebates and taxes, at the same level of trade. The prices of the domestic industry were determined at the ex-factory level. The domestic prices and margin of undercutting during POI is shown in the table below:

Particulars	Amount (INR / MT)
Landed Value	28,093
Domestic Selling Price	***
Price undercutting	***
Price undercutting as % of Landed Value	***
Price Undercutting Range %	(5)-5

84. The authority notes that the price undercutting is negative.

Price Suppression/Depression

85. In order to determine whether the dumped imports are depressing the domestic prices and whether the effect of such imports is to suppress prices to a significant degree or prevent price increases which otherwise would have occurred to a significant degree, the Authority considered the changes in the costs and prices over the injury period. The position is shown as per the table below:

Particulars (Rs. per MT)	2012-13	2013-14	2014-15	April 2015- Dec 2015	POI (July 2015- Dec 15)
Cost to make and sell	***	***	***	***	***
Trend	100	98	101	91	87
Domestic Selling Price	***	***	***	***	***
Trend	100	96	98	75	72
Landed Value	***	***	***	***	***
Trend	100	98	89	75	73

86. It is noted that decline in the domestic selling price is higher than the decline in the cost of sales. The domestic selling prices of domestic industry have reduced to match the landed value of dumped imports from subject country. The imports were thus suppressing and depressing the prices of the domestic industry in the market.

Economic parameters of the domestic industry

87. Annexure II to the Anti-dumping Rules requires that a determination of injury shall involve an objective examination of the consequent impact of these imports on domestic producers of like product. The Rules further provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments. An examination of performance of the domestic industry reveals that the domestic industry has suffered material injury. The various injury parameters relating to the domestic industry are discussed below.

Production, Capacity, Capacity Utilization and Sales

88. The performance of the domestic industry with regard to production, domestic sales, capacity & capacity utilization was as follows:

Particulars	2012-13	2013-14	2014-15	April 2015-Dec 2015 (A)	POI (Jul 2015- Dec 15)	POI (A)
Installed Capacity (MT)	2,270,000	3,270,000	3,870,000	3,870,000	1,935,000	3,870,000
Production (PUC)	1,477,972	1,609,278	1,503,065	1,780,457	903,145	1,806,291
Production (Non-PUC)	1,192,670	1,173,342	1,305,434	1,330,699	675,003	1,350,007
Total Production	2,670,642	2,782,621	2,808,499	3,111,156	1,578,149	3,156,298

Capacity Utilization	118%	85%	73%	80%	82%	82%
Domestic Sales (PUC)	1,155,858	1,226,631	1,083,019	1,503,914	782,421	1,564,842

89. The Authority notes that multiple products can be manufactured using the same capacity. Accordingly, the capacity utilization has been calculated based on total capacity and total production.

90. Capacity utilization of the domestic industry has shown a decline. The domestic industry has been able to achieve a best capacity utilization of 118% during 2012-13. However, this has come down to 82% during the POI due to increase in dumped imports from the subject country.

Profits, return on investment and cash profits

Particulars	2012-13	2013-14	2014-15	April 2015-Dec 2015 (A)	POI (Jul 2015-Dec 15)	POI (A)
Profit before Tax (Rs. In crores) i.e PBT	***	***	***	(***)	(***)	(***)
Trend	100	63	44	(211)	(112)	(224)
PBT (Rs./MT)	***	***	***	(***)	(***)	(***)
Trend	100	59	47	(162)	(165)	(165)
Cash Profits (PBT+Depreciation) (Rs. crores)	***	***	***	(***)	(***)	(***)
Trend	100	73	57	(148)	(79)	(158)
Cash Profit (Rs./MT)	***	***	***	(***)	(***)	(***)
Trend	100	69	61	(114)	(117)	(117)
ROCE %	***	***	***	(***)	(***)	(***)
Trend	100	73	79	(54)	(60)	(60)

91. The Authority notes the following from the above table:

- a. The Domestic Industry's profitability and return on capital employed have been substantially affected due to dumping of subject goods from subject country. It can be seen from the above table that domestic industry was earning decent returns till 2014-15.
- b. However, due to dumping from subject country during POI, domestic industry has not been able to recover its cost of sales leave aside earning a reasonable return on capital employed.

Market Share

92. The effects of the dumped imports on the market share of the domestic industry have been examined as below:

Particulars	2012-13	2013-14	2014-15	April 2015-Dec 2015 (A)	POI (Jul 2015- Dec 15)	POI (A)
Demand (MT)	2,995,116	3,234,665	3,670,853	4,500,022	2,371,707	4,743,414
Indexed	100	108	123	150	79	158
Market Share						
Share of Petitioners	39%	38%	30%	33%	33%	33%
Share of Supporters	21%	19%	18%	16%	15%	15%
Share of Other Producers	28%	37%	29%	30%	29%	29%
Share of Subject country	5%	4%	21%	18%	21%	21%
Share of Other countries	7%	2%	3%	2%	2%	2%

93. From above table, the Authority observes that market share of the Domestic Industry has decreased even though demand for the subject goods has been rising in India. Further, the Authority notes that market share of the imports from the subject country has increased over the injury period. This is due to the reason that imports from the subject country have captured the increase in demand.

94. The domestic industry has not been able to increase the sales of the PUC commensurate with the increase in demand because of the significant volume of dumped imports coming from the subject country.

Inventory

Particulars	2012-13	2013-14	2014-15	POI (Jul 2015- Dec 15)
Average Inventory (MT)	63,650	62,871	77,271	118,979
Trend (Indexed)	100	99	121	187

95. The Authority notes that the Domestic Industry is facing significant accumulated inventories. The levels of inventories have been increasing as compared to the base year. Due to increasing imports, the market share of the Domestic Industry has come down and the increased demand has been captured by imports.

Productivity of the domestic industry

96. The Authority notes that deterioration in productivity has not caused injury to the domestic industry. It can be seen in the table given below that productivity per

employee has increased from 100 indexed points in 2012-13 to 114 indexed points during the POI.

Particulars	2012-13	2013-14	2014-15	POI
Productivity	***	***	***	***
Trend	100	103	100	114

Growth

Particulars	Unit	2013-14	2014-15	POI(A)
Cost of Production	%	-2%	3%	-14%
Selling Price	%	-4%	2%	-27%
Profit/ Loss per unit	%	-41%	-20%	-448%
Return on Capital Employed	%	-27%	9%	-176%

97. The Authority notes that growth of the domestic industry with regard to capacity utilization, profits, return on investment, cash profits has been negative.

Ability to raise capital investments

98. The Authority notes that given the rising demand of the product in the country, the domestic industry has made significant investments in plant and machinery. However, despite these investments, the performance of the domestic industry has deteriorated considerably and further investment may get adversely affected.

Level of dumping & dumping margin

99. It is noted that the imports from the subject country are entering the Indian market at dumped prices and that the margins of dumping are significant.

Causal Link

100. The Authority has examined whether other factors listed under the Anti-dumping Rules could have contributed to injury to the domestic industry. The examination of causal link between dumping and material injury to the domestic industry has been done as follows:

Imports from third country

101. The imports from countries other than subject country are not significant in volume terms so as to cause or threaten to cause injury to the domestic industry.

Contraction in demand

102. The demand for the subject goods has shown an increasing trend. Accordingly, fall in demand cannot be the reason for injury to the domestic industry. In fact, the domestic industry has not been able to increase its sale and market share commensurate to increase in demand.

Trade restrictive practices of and competition between the foreign and domestic producers

103. The Authority notes that there is no trade restrictive practice which could have contributed to the injury to the domestic industry.

Developments in technology

104. The technology for production of the product concerned has not undergone any change. Thus, developments in technology cannot be regarded as a factor of causing injury to the domestic injury.

Changes in pattern of consumption

105. The domestic industry is producing the type of goods that have been imported into India. Possible changes in pattern of consumption are not a factor that could have caused claimed injury to the domestic industry.

Export performance

106. Claimed injury to the domestic industry is not on account of possible significant deterioration in export performance of the domestic industry. In fact, exports by the domestic industry have not materially declined. In any case, the authority has considered domestic performance wherever possible.

Performance of the domestic industry with respect to other products

107. The Authority notes that the performance of other products being produced and sold by the domestic industry has not affected the assessment made by the Authority of the domestic industry's performance. The information considered by the Authority is with respect to the product under consideration only.

Factors establishing causal link

108. Analysis of the performance of the domestic industry over the injury period shows that the performance of the domestic industry has materially deteriorated due to

dumped imports from the subject country. Causal link between the dumped imports and the injury to the domestic industry is established on the following grounds:

- Imports of the subject goods have increased in absolute terms over the entire period of investigation.
- Imports of the subject goods have increased relative to production and consumption in India.
- Market share of the Domestic Industry has decreased even though demand for the subject goods has been rising in India. This is due to the reason that imports have aggressively captured the increase in demand.
- The Domestic Industry has not been able to increase its production and sales commensurate with the increase in demand.
- Inventories of the Domestic Industry have been on the rise, as the Domestic Industry has not been able to increase its sales despite increase in demand.
- There is price suppression and depression due to low priced dumped imports coming in to India.
- The Domestic Industry's profitability and return on capital employed have been drastically affected. This is evident from the fact that the domestic industry was earning decent profits and return on capital employed till 2014-15. However, during the POI, the profits and returns have turned into losses.

Conclusion on Injury and Causation

109. From the above examination of injury and causal link, the Authority concludes that the domestic industry has suffered material injury as a result of dumping of the subject goods from the subject country. There has been a significant increase in the volume of dumped imports from the subject country in absolute terms throughout the injury period and in relation to production and consumption in India. The dumped imports have had significant adverse effect on the prices of the domestic industry in the market. The dumping margin for the subject country has been determined and is considered significant. Dumped imports from the subject country have adversely impacted capacity utilization of the domestic industry. Market share of the subject imports has significantly increased. Performance of the domestic industry has significantly deteriorated in respect of profits, cash profits and return on investments. The Authority concludes that the domestic industry has suffered material injury as a result of dumped imports from the subject country.

110. The Authority has determined the non-injurious price for the domestic industry and compared with the landed values of the subject imports of the responding exporters to determine the injury margin. The landed value to India in respect of other producers and exporters in the subject country has been determined on the basis of the best available information. The injury margins have been determined as follows:

Injury Margin

S.No	Country	Producer	Exporter	NIP USD	Landed Value USD	Injury Margin USD	Injury Margin %	Injury Margin Range %
1.	China PR	Minmetals Yingkou Medium Plate Co., Ltd.	Minmetals Yingkou Medium Plate Co., Ltd.	***	***	***	***	35-45
2.	China PR	All Others	All Others	***	***	***	***	50-60

111. The level of dumping margins and injury margins as determined are significant.

H. Post Disclosure Statement submissions by the Interested Parties

112. The post disclosure submissions have been received from various interested parties. Majority of the issues raised therein have already been raised earlier during the investigation and also addressed appropriately. Additional submissions have been analysed as under:

Submissions made by the Domestic Industry

113. The submissions made by the domestic industry have been summarized as below:

- a. It has been submitted by the domestic industry that the reference price based duty has not been able to put adequate checks on the quantum of imports of the subject goods into India. The imports from the subject country have been significant even after imposition of provisional anti-dumping duty. In addition, it has also been noticed that the import prices have been hovering around the reference price fixed by the authority in the provisional findings despite there being a significant increase in the input costs after the POI. The domestic industry has requested the authority to recommend fixed duty in the final findings to give appropriate protection to the domestic industry. Application of fixed form of duty will ensure the effectiveness of measures as it would reduce the likelihood of price manipulation or circumvention.
- b. Recent trade remedial measures on wire rods from China by United States, European Union and Australia on non-cooperative exporters from China PR resulted in imposition of punitive rates of anti-dumping duty. Indian should also adopt similar approach in imposition of duty.

Submissions made by other interested parties

114. The submissions made by the other interested parties have been summarized as below:

- a. The difference in supplies from JXAM to JXSS is due to the stock maintained by JXSS. It is not a case that the material is directly dispatched from JXAM. JXSS maintains its stock and hence the difference.
- b. JXAM and JXSS have not claimed Market Economy Treatment and hence, did not provide the Appendix-7 & 9. There is a typographical error in Appendix-4 of JXAM. All sales shown under exports are sales to JXSS for sales in export market including India though it is mentioned as “exports to other countries”.
- c. BBG and BBIE have not suppressed any details from the Authority. There is an agency agreement between BBG and BBIE which allows BBIE for raising invoices and entering into contracts with buyers on behalf of BBG and the proceeds received by BBIE shall after deduction of expenses be transferred to BBG.
- d. M/s Ningbo CIMEI Import & Export Co. Ltd. has already submitted their response. Therefore, the observation in the disclosure statement that we did not provide complete information on record is not borne out of the facts of the case.
- e. With regard to non-reporting of the exports to India by Manuchar Steel Hong Kong Limited, it is submitted that BBG have provided all the details as available with it and cannot be held liable for the information submitted by others as it has no control over them. We would also like to draw the kind attention of the Authority to the WTO Appellate Body Report in US-Anti-dumping Measures on Certain Hot-Rolled Steel Products from Japan (WT/DS184/ABR) dated 24th July 2001 wherein it was held that the investigating authorities cannot insist upon the absolute standards or impose unreasonable burdens upon the exporters with respect to the information which is not under their control.
- f. NEIL has again reiterated that SAIL had failed to deliver a particular order of SAE52100 grade and has requested for exclusion of SAE52100 & SAE 8720 from the scope of PUC. Further, NEIL has requested for PCN wise determination of dumping & injury margin.

Examination by the Authority

115. The Authority notes that most of the submissions by parties are repetitive in nature and were already addressed earlier in the disclosure statement. The findings above ipso facto deal with these arguments of the parties. Further, the Authority has examined submissions of interested parties herein below to the extent relevant and not addressed elsewhere:

- a. With regard to the submission made by JXAM and JXSS, that difference in quantity is due to JXSS maintaining stock, the authority notes that no documentary evidence have been placed on record by the producer/exporter in this regard. Further, it is to be noted that Appendix-7 & 9 is required to be submitted by the trader/exporter irrespective of the fact whether MET has been claimed or not. The purpose of Appendix 7 & 9 is to examine whether the trader/exporter has recovered its SGA expenses and made a reasonable profit margin or not. Therefore, it is not possible to grant individual treatment to JXAM & JXSS.
- b. BBG and BBIE have not placed any new facts before the authority and have been unable to clarify the issue that if BBIE is not acting as an exporter, then how BBIE enters into contracts with customers in India and issues invoices in its own name. Further, M/s Ningbo CIMEI Import & Export Co. Ltd has submitted very delayed response, much after the issuance of preliminary findings. Further, some of the traders have suppressed the information. Therefore, authority is unable to grant individual treatment to BBG & BBIE.
- c. As regards the domestic industry's concerns regarding non-injurious price, the Authority observes that non-injurious price has been calculated in accordance with Annexure III of the AD Rules.
- d. With regard to the request of domestic industry to recommend anti-dumping duty in the form of fixed duty rather than reference price, authority notes that reference price based form of duty is appropriate for subject goods keeping in mind the facts and circumstances of the case and there are no compelling reasons to deviate from the form of antidumping duty recommended in the preliminary findings.
- e. With regard to the request made by NEIL for exclusion of SAE52100 & SAE 8720 from the scope of PUC, the authority notes that DI is manufacturing grades equivalent to SAE 52100 and SAE8720 and therefore this request of NEIL cannot be accepted.

I. Indian industry's interest & other issues

116. The Authority notes that the purpose of anti-dumping duties, in general, is to eliminate injury caused to the Domestic Industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country. Imposition of anti-dumping measures would not restrict imports from the subject country in any way, and, therefore, would not affect the availability of the products to the consumers.
117. It is recognized that the imposition of anti-dumping duties might affect the price levels of the product manufactured using the subject goods and consequently might have some influence on relative competitiveness of these product. The domestic industry submitted that imposition of proposed duty shall have insignificant cost implications for the consumer. Therefore, fair competition in the Indian market will not be reduced by the anti-dumping measures, particularly if the levy of the anti-dumping duty is restricted to an amount necessary to redress the injury to the domestic industry. On the contrary, imposition of anti-dumping measures would remove the unfair advantages gained by dumping practices, would prevent the decline of the domestic industry and help maintain availability of wider choice to the consumers of the subject goods.

J. Recommendations

118. After examining the submissions made and issues raised, and considering the facts available on record, the Authority concludes that:
- a) The product under consideration has been exported to India from the subject country below normal value.
 - b) The domestic industry has suffered material injury on account of subject imports from the subject country
 - c) The injury has been caused by the dumped imports of the subject goods from the subject country.
119. The Authority notes that the investigation was initiated and it was notified to all interested parties. Adequate opportunity was given to the exporters, importers and other interested parties to provide information on the aspects of dumping, injury and causal link. Having initiated and conducted an investigation into dumping, injury and the causal link thereof in terms of the Anti-Dumping Rules and having established a positive dumping margin as well as material injury to the domestic industry caused by such dumped imports, the Authority is of the view that imposition of definitive anti-dumping duty is necessary to offset dumping and injury.
120. Having regard to the lesser duty rule, the Authority recommends imposition of definitive anti-dumping duty equal to the lesser of margin of dumping and margin of injury, so as to remove the injury to the domestic industry. Accordingly, the

Authority recommends imposition of definitive anti-dumping duties on the imports of the subject goods, originating in or exported from the subject country, from the date of notification to be issued in this regard by the Central Government, as the difference between the landed value of the subject goods and the amount indicated in Col 8 of the duty table appended below, provided the landed value is less than the value indicated in Col 8. The landed value of imports for this purpose shall be the assessable value as determined by the customs under Customs Tariff Act, 1962 and applicable level of custom duties except duties levied under Section 3, 3A, 8B, 9, 9A of the Customs Tariff Act, 1975. The validity of the recommended definitive anti-dumping duty, if accepted by the Central Government, will be upto a period of five years from the date of imposition of provisional duty by the Central Government vide Notification No. 51/2016-Customs (ADD) dated 2.11.2016.

DUTY TABLE

S.No.	Heading/ Sub heading	Description of goods	Country of origin	Country of export	Producer	Exporter	Am oun t	Unit	Curr ency
1	2	3	4	5	6	7	8	9	10
1.	7213 and 7227	Bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel or alloy steel, excluding (i) bars and rods containing indentations, ribs, grooves or other deformations produced during the rolling process falling under tariff item 72131090 (commonly known as rebars or TMT bars), (ii) bars and rods of stainless steel falling under tariff heading 7221 and (iii) bars and rods of high speed steel falling under tariff heading 72271000.	China PR	China PR	Minmetals Yingkou Medium Plate Co., Ltd.	Minmetals Yingkou Medium Plate Co., Ltd.	535	MT	US\$
2.	- do -	- do -	China PR	China PR	Any combination other than at S. No.1		546	MT	US\$
3.	- do -	- do -	China PR	Any country other than China PR	Any	Any	546	MT	US\$
4.	- do -	- do -	Any country other than China PR	China PR	Any	Any	546	MT	US\$

121. An appeal against these findings after its acceptance by the Central Government shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the Customs Tariff Act, 1975 as amended in 1995 and Customs Tariff Rules, 1995.

(Dr. Inder Jit Singh)
Designated Authority.