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**F. No. 7/5/2021-DGTR
Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Trade Remedies
Jeevan Tara Building, Parliament Street, New Delhi**

Dated: 14th September, 2021

NOTIFICATION

FINAL FINDINGS

Case No. (SSR) 05/2021

Subject: Sunset Review of Anti-dumping Duty imposed on imports of “Hot-Rolled flat products of alloy or non-alloy steel” from China PR, Japan, Korea RP, Russia, Brazil and Indonesia.

F. No. 7/5/2021-DGTR: Having regard to the Customs Tariff Act, 1975, as amended from time to time (hereinafter also 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 1995, as amended from time to time (hereinafter also referred to as “the Rules”) thereof.

A. BACKGROUND OF THE CASE

1. The Authority initiated the original investigation concerning imports of ‘Hot-Rolled Flat Products of Alloy or Non-Alloy Steel’ originating in or exported from China PR, Japan, Korea RP, Russia, Brazil and Indonesia vide Notification No. 14/9/2016-DGAD dated 11th April 2016. The Designated Authority recommended provisional anti-dumping duty vide preliminary findings dated 1st August 2016, which was imposed vide Notification No. 44/2016- Customs (ADD), dated 8th August 2016. The Final Findings Notification was issued by the Authority vide Notification No. 14/9/2016-DGAD dated 10th April 2017 recommending imposition of definitive Anti-Dumping Duty (ADD) on the imports of the subject goods, originating in or exported from China PR, Japan, Korea RP, Russia, Brazil and Indonesia. Definitive anti-dumping duties were imposed vide Notification No. 17/2017-Customs (ADD) dated 11th May, 2017 (as amended by Corrigendum dated 16th May 2017).
2. In terms of Section 9A (5) of the Act, ADD imposed shall unless revoked earlier, cease to have effect on expiry of five years from the date of such imposition and the Authority is required to review, whether the expiry of ADD is likely to lead to continuation or recurrence of dumping and injury. Further, Rule 23 (1B) of the Rules provides as follows:

“any definitive antidumping duty levied under the Act, shall be effective for a period not exceeding five years from the date of its imposition, unless the designated authority comes to a conclusion, on a review initiated before that period on its own initiative or upon a duly substantiated request made by or on behalf of the domestic industry, within a reasonable period of time prior to the expiry of that period, that the expiry of the said anti-dumping duty is likely to lead to continuation or recurrence of dumping and injury to the domestic industry.”

3. In accordance with the above, the Authority is required to review, on the basis of a duly substantiated request made by or on behalf of the domestic industry, as to whether the expiry of ADD is likely to lead to continuation or recurrence of dumping and injury.
4. And whereas, in terms of above provisions, Indian Steel Association (hereinafter also referred to as the "Applicant" or "Petitioner") on behalf of Steel Authority of India Limited, JSW Steel Limited and ArcelorMittal Nippon Steel India Limited (hereinafter also referred to as the "Applicants" or "Applicant companies" or "domestic industry") filed an application before the Designated Authority in accordance with the Customs Tariff Act, 1975 and the Anti-Dumping Rules requesting initiation of sunset review of anti-dumping duty (ADD) imposed on imports of 'Hot-Rolled Flat Products of Alloy or Non-Alloy Steel' (hereinafter referred to as "subject goods" or "product under consideration" or "PUC") originating in or exported from China PR, Japan, Korea RP, Russia, Brazil and Indonesia ("subject countries"). The Applicants provided the prescribed information in the Application.
5. The Applicant sought continuation of the Anti-dumping duty (ADD) against imports of "Hot-Rolled flat products of alloy or non-alloy steel" from China PR, Japan, Korea RP, Russia, Brazil and Indonesia. The request was based on the grounds that the expiry of the measure was likely to result in continuation of dumping of the subject goods and consequent continuation of material injury to the Domestic Industry as well as a likelihood of recurrence of material injury.
6. In view of the duly substantiated application with prima facie evidence of likelihood of dumping and injury filed on behalf of the Domestic Industry and in accordance with Section 9A(5) of the Act, read with Rule 23 of the Rules, the Authority initiated the sunset review investigation vide Notification no.7/5/2021-DGTR dated 31st March, 2021 to review the need for continued imposition of ADD in respect of the subject goods, originating in or exported from the subject countries and to examine whether the expiry of the said ADD is likely to lead to continuation or recurrence of dumping and injury to the Domestic Industry.
7. Pending conclusion of the investigation, the anti-dumping duties were extended up to and inclusive of 15th December 2021 vide Notification No. 36/2021-Customs (ADD) dated 29th June, 2021.

8. The scope of the present review covers all aspects of the Final Findings Notification No. 14/9/2016-DGAD dated 10th April 2017 which had recommended the imposition of ADD on imports of subject goods originating in or exported from the subject countries.

B. PROCEDURE

9. The procedure described below has been followed with regard to the subject investigation:

- i. The Authority vide Notification no. 7/5/2021-DGTR dated 31st March, 2021 issued a public notice in the Gazette of India Extraordinary, initiating sunset review investigation concerning anti-dumping duty imposed on imports of subject goods from subject countries.
- ii. In accordance with rule 6(2) of the AD Rules, the Authority forwarded a copy of the initiation notification dated 31st March, 2021, to the Embassies of the subject countries in India, the known producers and exporters from the subject countries, known importer/user Associations and other interested parties, as per the addresses made available by the Applicant. The interested parties were advised to provide relevant information in the form and manner prescribed and to make their submissions known in writing within the prescribed time-limit.
- iii. The Authority provided a copy of the non-confidential version of the application to the known producers/exporters and to the Embassies of the subject countries in India in accordance with Rule 6(3) of the Rules.
- iv. The Embassies of the subject countries in India were also requested to advise the exporters/producers from their country to respond to the questionnaire within the prescribed time limit. A copy of the letter and questionnaire sent to the producers/exporters was also sent to it along with the names and addresses of the known producers/exporters from the subject countries.
- v. The Authority, upon request made by the interested parties, granted extension of time to the interested parties to file their Questionnaire Responses. Vide communication dated 3rd May, 2021, the time was extended up to 20th May, 2021. Vide communication dated 17th May, 2021, the time was further extended up to 3rd June, 2021.
- vi. The Authority sent questionnaires to the following known producers/exporters in the subject countries in accordance with Rule 6(4) of the Rules:
 - i. Rizhao Steel Holding Group Co Ltd
 - ii. Baotou Iron and Steel Group Jiangsu Shagang Group Company Limited
 - iii. Angang Steel Company
 - iv. Nanjing Iron and Steel
 - v. Wuhan Iron and Steel
 - vi. Zhangjiagang Hongchang Steel Plate Co. Ltd
 - vii. Jiangsu Shagang International Trade Co
 - viii. Nanjing Iron and Steel Group International Trade Co. Ltd.
 - ix. Wuyang New Heavy & Wide Steel Plate Co. Ltd

- x. Wuyang Iron & Steel Co. Ltd
- xi. Nippon Sumitomo
- xii. JFE Steel Corporation
- xiii. Mitsui & Co. Ltd.
- xiv. Sumitomo Corporation
- xv. Kanematsu Corporation Ltd.
- xvi. Toyota Tshusho Corporation
- xvii. Metal One Corporation
- xviii. POSCO
- xix. Dongkuk Steel Mill Col Ltd
- xx. Samwoo Co. Ltd.
- xxi. P & A corporation
- xxii. GS Global Corp
- xxiii. POSCO Daewoo Corporation
- xxiv. Severstal
- xxv. EVRAZ
- xxvi. Arcelor Mittal
- xxvii. PT Krakatau POSCO, Indonesia

vii. In response to the above notification, the following producers/exporters and their related exporters/traders have responded and submitted/filed exporters' questionnaire responses and/or legal submissions:

- a) POSCO, Korea RP
- b) PT Krakatau POSCO
- c) Taechang Steel Co., Ltd.
- d) Winsteel Co., Ltd.
- e) PT. POSCO Indonesia Inti, Indonesia-Exporter
- f) PT. POSCO International Indonesia,
- g) PT Krakatau Steel (Persero) Tbk., Indonesia-Exporter
- h) Hyosung TNC Corporation
- i) Hyosung Japan Co., Ltd
- j) POSCO Asia Company Limited
- k) POSCO International Corp
- l) Samsung C&T Corporation
- m) GS Global Corp
- n) GS Global Singapore Pte. Ltd
- o) Nippon Steel Corporation
- p) JFE Steel Corporation
- q) Kobe Steel Ltd
- r) Honda Trading Corporation
- s) JFE Shoji Corporation
- t) Kanematsu Corporation
- u) Marubeni-Itochu Steel Inc.
- v) Metal One Corporation
- w) Mitsui & Co., Ltd.
- x) Nippon Steel Trading Corporation
- y) Hitachi Zosen Corporation
- z) IHI Corporation
- aa) Nissan Trading Co., Ltd.
- bb) Ohmi Industries, Ltd.

- cc) Sato Shoji Corporation
- dd) Sumitomo Corporation
- ee) Sumitomo Corporation Global Metals Co. Ltd
- ff) Toyota Tsusho Corporation
- gg) Tetsusho Kayaba Corporation
- hh) Hyundai Steel Company
- ii) Hyundai Corporation
- jj) Samsung C&T Corporation
- kk) SK Networks Co. Ltd
- ll) GS Global Corporation
- mm) Hanwa Co., Ltd.

viii. The Authority sent questionnaires to the following known importers and users of the subject goods in India calling for necessary information in accordance with Rule 6(4) of the Rules.

- i. Arcelor Neel Tailored Blanks Private Limited
- ii. Bharat Heavy Electricals Limited
- iii. Bhilai Engineering Corporation Ltd.
- iv. C.R.I. Pumps Private Limited
- v. DENIS PLAST LIMITED
- vi. Fine Forge Limited
- vii. Flakt (India) Limited
- viii. Gamesa Wind Turbines Pvt. Ltd
- ix. Hindustan Construction Co. Ltd
- x. Kalpataru Power Transmission Ltd.
- xi. Larsen & Toubro Ltd
- xii. Llyods Steel Industries Ltd
- xiii. Maruti Suzuki India Ltd
- xiv. POSCO Electrical Steel India Pvt. Ltd.
- xv. Superior Steel Industries
- xvi. Tranter India Private Ltd
- xvii. TRF Limited
- xxviii. Sungreen Ventilation Systems (P) Limited
- xix. Metal Shine Roofing
- xx. Oriental Metal India Pvt. Ltd .
- xxi. M.K.K Metal Sections Pvt. Ltd
- xxii. Whirlpool of India Ltd.
- xxiii. Hyundai Steel India Limited
- xxiv. Highly Electrical Appliances India Pvt. Ltd.
- xxv. Ferrum Extreme Engineering Pvt. Ltd
- xxvi. Rajasthan Prime Steel Processing Center Pvt. Ltd.
- xxvii. Hyundai Motors India Ltd
- xxviii. Mobis India Limited
- xxix. TI Metal Forming
- xxx. Myuong Shin India Automotove Private Ltd.
- xxxi. KwangJin India Autosystems Pvt. Ltd
- xxxii. Toyota Kirloskar Motor Pvt Ltd.

- xxxiii. Welspun Corp Limited
- xxxiv. The Bombay Iron Merchants' Association
- xxxv. Federation of Association of Maharashtra (FAM)
- xxxvi. All India Induction Furnaces Association
- xxxvii. ASSOCHAM
- xxxviii. Confederation of Indian Industry
- xxxix. Indian Chamber of Commerce
 - xl. Auto Component Manufacturers Association (ACMA)
 - xli. Society of Indian Automobile Manufacturers (SIAM)
 - xl.ii. Indian Construction Equipment Manufacturers Association (ICEMA)
 - xl.iii. Indian Electrical and Electronics Manufacturers' Association (IEEMA)
 - xl.iv. Process Plant and Machinery Association of India (PPMAI)
 - xl.v. Cold Rolled Steel Manufacturers Association of India (CORSMA)

ix. In response to the above notification, the following importers or users have responded and submitted importer/user questionnaire responses/legal submissions and/or registered as interested parties:

- a) POSCO-India Pune Processing Centre Pvt Ltd
- b) POSCO-India Processing Centre Pvt Ltd
- c) POSCO-Maharashtra Steel Private Limited
- d) Honda Trading Corporation India Pvt Ltd
- e) Rajasthan Prime steel Processing Center Pvt Ltd
- f) JFE Shoji India Private Limited
- g) Marubeni-Itochu Steel India Private Limited
- h) Metal One Corporation India Pvt. Ltd.
- i) Nippon Steel Pipe India Private Ltd.
- j) TT Steel Service India Pvt. Ltd.
- k) Consumer Electronics and Appliances Manufacturers Association (CEAMA)
- l) POS Hyundai Steel Mfg. (I) Pvt
- m) Hyundai Steel Anantapur Private Limited
- n) Hyundai Steel India Pvt. Ltd
- o) Hyundai Motor India Limited
- p) Hyundai Steel Pipe India Pvt. Ltd
- q) Steel Users Federation of India (SUFI)
- r) Society of Indian Automobile Manufacturers, (SIAM)
- s) Theis Precision Steel India Private Limited
- t) SKODA AUTO Volkswagen India Pvt. Ltd.
- u) Ratnamani Metals & Tubes Ltd.
- v) Maruti Suzuki India Limited
- w) Ysi Automotive Pvt. Ltd.
- x) Hwashin AutoIndia Pvt. Ltd.
- y) Renault Nissan Auto India Pvy. Ltd.
- z) Indian Pipe Manufacturers Association
- aa) The Japan Iron and Steel Federation
- bb) Myoung Shin India Automotive Pvt. Ltd.
- cc) PHA India Pvt. Ltd.

- x. The period of investigation (POI) for the purpose of the present investigation is 1st April 2019 to 30th September 2020 (18 months). The injury examination period has been considered as the period from April 2016 - March 2017, April 2017 - March 2018, April 2018 - March 2019, and POI.
- xi. Request was made to the Directorate General of Commercial Intelligence and Statistics (DGCI&S) to arrange details of imports of subject goods for the past three years, and the period of investigation, which was received by the Authority. The Authority has relied upon the DGCI&S imports data for computation of the volume & value of imports and injury analysis.
- xii. In accordance with Rule 6(6) of the Rules, the Authority provided an opportunity to the interested parties to present their views orally in a public hearing held through video conferencing on 2nd August, 2021. The parties, which presented their views in the oral hearing, were requested to file written submissions of the views expressed orally, followed by rejoinder submissions, if any. The parties shared their non-confidential submissions with other interested parties and were advised to offer their rebuttals.
- xiii. A list of all interested parties was uploaded on DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions to all other interested parties since the public file was not accessible physically due to the ongoing global pandemic.
- xiv. Further information was sought from the Applicant to the extent deemed necessary. Verification of the data provided by the domestic industry was conducted to the extent considered necessary for the purpose of present investigation.
- xv. The non-injurious price (hereinafter referred to as "NIP") based on the cost of production and reasonable profits of the subject goods in India, having regard to the information furnished by the domestic industry in accordance with Generally Accepted Accounting Principles (GAAP) and Annexure III to the Rules, has been worked out so as to ascertain whether ADD lower than the dumping margin would be sufficient to remove injury to the domestic industry.
- xvi. Considering the fact that the subject goods are being imported in various grades/sizes/dimensions, the Authority after taking into account views of interested parties, and in line with approach made in the original investigations, finalized Product Control Numbers (PCNs) in order to make a PCN-to-PCN comparison for computing the dumping margin, and injury margin. Accordingly, the Authority has made PCN to PCN comparison for the purpose of computing dumping margins, and injury margins in the present review investigation.
- xvii. A disclosure statement containing the essential facts in this investigation which would form the basis of the final findings was issued to the interested parties on 03.09.2021 and the interested parties were allowed time upto 09.09.2021 to comment on the same. The comments on the disclosure statement received from the interested parties have been considered, to the extent found relevant, in this final findings' notification.
- xviii. The submissions made by the interested parties, arguments raised and information provided by various interested parties during the course of

investigation, to the extent the same are supported with evidence and considered relevant to the present investigation, have been considered in this Final Findings.

- xix. The Authority, during the course of investigation, satisfied itself as to the accuracy of the information supplied by the interested parties, which forms the basis of this Final Findings, to the extent possible, and verified the data/documents submitted by the domestic industry to the extent considered relevant and possible.
- xx. The information provided by the interested parties on confidential basis was examined with regard to sufficiency of the confidentiality claims. 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.
- xxi. Wherever an interested party has refused access to, or has otherwise not provided necessary information during the course of investigation, or has significantly impeded the investigation, the Authority considered such interested parties as non-cooperative and recorded this Final Findings on the basis of the facts available.
- xxii. ‘****’ in these final findings represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
- xxiii. The exchange rate adopted by the Authority for the subject investigation is US \$1=73.17.

C. PRODUCT UNDER CONSIDERATION (PUC) AND LIKE ARTICLE

10. The Product Under Consideration is “Hot-Rolled flat products of alloy or non-alloy steel” which was defined in the original investigation was as follows:

“Hot-rolled flat products of alloy or non-alloy steel in coils of a width upto 2100mm and thickness upto 25mm and Hot-rolled flat products of 10 alloy or non-alloy steel not in coils (commonly known as sheets and plates) of a width upto 4950mm and thickness upto 150mm”.

The PUC covers products which are not further worked than hot-rolled and are flat products of iron, alloy or non-alloy steel, in prime or nonprime condition having ‘as-rolled’ edge or ‘trimmed’ edge or ‘slit’ edge or “milled” edge or “sheared” edge or “laser-cut” edge or “gas-cut” edge or any other type of edges. These products may be pickled or non-pickled (with or without skin-pass or tempering), slit or non-slit, normalized or un-normalized, ultrasonically tested or untested or oiled or non-oiled etc. These products may be “as-rolled” or “thermo-mechanically rolled” or “thermo-mechanically controlled rolled” or “controlled rolled” or “normalized rolled” or “normalized” or subject to any other similar process. These products may have patterns in relief / chequered patterns of different types derived directly during hot rolling. These products may have been subjected to various

processing steps like pickling, oiling, rewinding, recoiling, temper rolling, heat treatment, etc. These products may be sand blasted or shot blasted or subjected to similar processes. The PUC covers Hot Rolled flat sheets and plates of alloy or non-alloy steel, whether or not rolled from universal plate mill including reversible plate mill or hot strip mill or tandem mill or steckel mill or any other similar process with various type of rolling configuration including 2-High, 3-High, 4-High, cluster mill or any similar hot rolling process. The PUC includes sheets and plates produced either directly from the hot rolling process or cut / sheared from hot rolled coils. The following are not included in the scope of the product under consideration:

- 1. Hot-rolled flat products of stainless steel.*
- 2. Hot-rolled flat products of steel which are electrolytically plated or coated with zinc.*
- 3. Hot-rolled flat products of steel otherwise plated or coated with zinc.*
- 4. Cladded steel."*

11. Being a sunset review, the Authority adopted the abovementioned scope of the PUC at the time of initiation of the investigation.

12. The Authority notes that the Domestic Industry did not propose any PCN methodology in the sunset review petition. However, it was noted that in the original investigation, PCN methodology was proposed by the domestic industry, and the Authority determined Product Control Numbers (PCNs) in order to make a PCN to-PCN comparison for computing the dumping margin. Therefore, the Authority proposed to adopt the same PCNs described in the original investigation for the present sunset review, and informed the interested parties to offer their comments on the PCN methodology by 14th of April.

13. Based on the comments received from interested parties, the Authority has adopted the following Product Control Number (PCN) for the PUC for fair comparison and requested the interested parties to file questionnaire response:

| PCN for Hot Rolled Flat Steel Products | | | | |
|---|---------------------|----------------------|--------------------------------------|-------------|
| S. No. | Attributes | No. of Digits | Description | Code |
| 1 | Product Form | 1 | Coil | C |
| | | | Cut to length-Slit, Sheet and Plates | L |
| | | | Plate Mill Plate | P |
| 2 | Quality | 4 | Cold rolling/Galvanizing Quality | Q01Q |
| | | | Pipe and Tube Quality | Q02Q |
| | | | High tensile including HSLA | Q03Q |

| | | | | |
|---|--|---|---|------|
| | | | High Strength Structural Steel (YS 350 Mpa & above) | Q04Q |
| | | | Structural Steel (YS below 350Mpa) | Q05Q |
| | | | Chequered Quality | Q06Q |
| | | | Drawing/forming/flanging quality Steel | Q07Q |
| | | | API grade X52 and above quality Steel | Q08Q |
| | | | API grade below X52 quality steel | Q09Q |
| | | | Quenched/Tempered Quality | Q10Q |
| | | | Corrosion Resistant Steel Quality | Q11Q |
| | | | Boiler/Pressure Vessel Quality | Q12Q |
| | | | Ship Building Quality | Q13Q |
| | | | LPG Cylinder Quality | Q14Q |
| | | | Medium/High Carbon Steel Quality | Q15Q |
| | | | Silicon Electrical Steel | Q16Q |
| | | | Other Qualities not covered above | Q17Q |
| 3 | Thickness | 1 | Upto 1.6 mm | T |
| | | | More than 1.6 mm upto 2mm | U |
| | | | More than 2 mm upto 10 mm | V |
| | | | More than 10 mm upto 25 mm | W |
| | | | More than 25 mm upto 40 mm | X |
| | | | More than 40 mm upto 100 mm | Y |
| | | | More than 100 mm upto 150 mm | Z |
| 4 | Width | 1 | Upto 600mm | 1 |
| | | | More than 600mm upto 1500mm | 2 |
| | | | More than 1500mm upto 2500mm | 3 |
| | | | More than 2500mm upto 3000mm | 4 |
| | | | More than 3000mm upto 4950mm | 5 |
| 5 | Longitudinal Edges | 2 | As rolled | EB |
| | | | Sheared/Trimmed/Milled/Gas-Cut etc. | ED |
| 6 | Surface Treatment/Surface Preparation | 1 | Pickled | H |
| | | | Sand blasted/shot blasted | I |
| | | | Painted | J |

| | | | | |
|--|-----------------------|---|---|---|
| | | | No surface treatment/no surface preparation | K |
| 7 | Heat Treatment | 1 | Un-Normalized | 8 |
| | | | Normalizing | 9 |
| Example: A plate mill plate of chequered quality, 80 mm thick having width 750 mm with sheared edges in pickled form having unnormalized heat treatment Product PCN will be (1 digit): PQ06QY2EDH8 | | | | |

14. Interested parties i.e. cooperating producers and exporters and the domestic industry provided information based on the said PCN structure prescribed by the authority.
15. The PUC is used in many applications and sectors such as automotive, oil and gas line pipes/exploration, cold-rolling, pipe and tube manufacturing, infrastructure and construction, general engineering & fabrication, earth-moving & mining equipment, storage tanks, low pressure heaters, capital goods including plant and process equipment for cement, fertilizer, refineries etc.
16. The PUC is classified under Custom Tariff Heading 7208, 7211, 7225 and 7226. The customs classification is indicative only and is in no way binding on the scope of the present investigation. The Designated Authority analyzed the transaction-wise DGCI&S import data to arrive at the import statistics for the PUC by removing the items that are not part of the product scope.
17. While PCN wise breakdown of data of individual companies was available from the interested parties, the official DGCIS statistics could not be converted in terms of PCN as the description given in the DGCIS data was not sufficient enough to determine the PCN for an overwhelmingly large number of import transactions.

C.1. Submissions of the domestic industry

18. The submissions made by the domestic industry with regard to the product under consideration and like article are as follows:
 - a. The product manufactured by domestic industry is like article to the product imported from the subject countries.
 - b. Consumers use the product manufactured by the domestic industry and the producers in the subject countries interchangeably.
 - c. In a sunset review, the scope of the product under consideration shall remain the same as determined in the original investigation.
 - d. The grades produced by PTKP and NSC are produced by the Domestic Industry also. The evidence in this regard has been submitted separately.
 - e. The domestic industry has supplied grades viz. EN S-355/IS E-350 in the domestic market. Specifically, ***, has been supplying the above said grades during the entire injury analysis period and the evidence in this regard has been submitted separately.

- f. Nippon Steel Corporation (“NSC”) has alleged that certain grades produced by it are not sold by Domestic Industry as they are not listed in their brochure. Furthermore, NSC has not given sufficient technical parameters of the various grades to allow for comparison with grades produced by Domestic Industry. Exhibit does not clearly highlight technical differences between product type sought to be excluded and like article produced by domestic industry. Also, quality is not a criterion for exclusion of any product type in an anti-dumping investigation. The domestic industry supplies all grades of steel for all thicknesses which fall under scope of PUC and same can be verified.
- g. In *Anti-dumping investigation concerning imports of Aluminium foil 80 microns and below originating in or exported from China PR, Malaysia, Thailand and Indonesia* (F.No. 06/21/2020-DGTR), *Nylon Multi Filament Yarn originating in or exported from China PR, Korea RP, Taiwan and Thailand* (F.No. 6/11/2019-DGTR) and sunset Review investigation concerning anti-dumping duty on imports of ‘Fluor elastomer’ (FKM) originating in or exported from China PR (F. No. 7/03/2020-DGTR), the Authority held that quality or minor variations in specifications were not relevant criterion for exclusion of a product under consideration. The Hon’ble CESTAT in *Dsm Idemitsu Limited vs Designated Authority* also held that difference in quality is not a relevant parameter to ascertain ‘likeness’ which was relied upon by Authority in *Anti-dumping investigation concerning imports of “Black Toner in powder form” originating in or exported from China PR, Malaysia and Taiwan* to hold that difference in quality is not a criterion.

C.2. Submissions of other interested parties

19. The following submissions were made by the interested parties with regard to the scope of the product under consideration:
 - i. AMNS is not to be regarded as part of the Domestic industry (DI) in the present investigation and the grades of PUC exclusively manufactured by them are to be excluded from the scope of the PUC.
 - ii. Likeness of products should be assessed by taking into account end uses, consumer preferences, product properties, nature and quality amongst others as stated by the WTO Appellate Body in *Japan – Alcoholic Beverages*, *Canada- Periodicals*, and by WTO Panel in *Indonesia – Autos and 1970 Report of the Working Party on Border Tax Adjustment*
 - iii. Nippon Steel Corporation (“NSC”) produces various grades of the PUC which are not produced by the DI or commercially or technically substitutable with the grades produced by the DI. That grade of NSC must be excluded from the scope of PUC. Prior AD practice, the DGTR SOP and the Authorities findings confirm the same.
 - iv. There are several findings made by the authority where the DGTR excluded certain grades from the scope of the investigation as the DI had not rebutted the claim of the exporter that they could not produce the said grades.

- v. Grades of NSC are distinct with distinct properties which are not produced by the DI or cannot be commercially substitutable with the grades produced by the DI. Same can be inferred from product brochures of the DI and publicly available information.
- vi. AMNS cannot be included in the DI and consequently any grades of PUC manufactured exclusively by them to the exclusion of JSW and SAIL must be excluded from the scope of the PUC.
- vii. There are various product grades manufactured and exported by PTKP to India which the DI does not produce or sell any alternate that may be commercially or technically substitutable. The same has been observed by the authority in many of its findings. These cannot be included in the scope of the PUC.
- viii. The likeness of the imported products by taking into account the end uses; consumer preferences; product properties, nature and quality, amongst others, and accordingly exclude the grades that are not manufactured by the DI.
- ix. Specialty Grade of dual spec HR plates conforming to EN S-355 /IS E-350 must be excluded from the scope of this investigation, as the DI does not manufacture products of comparable quality. Specialty grade plates exported to India by PTKP are produced wholly depending on Indian consumers preferences and requirements. HR Plates manufactured by the respondent are far higher in their technical superiority than what is prescribed in European and Indian Standards (EN/IS Specification) which merely indicates threshold requirements. These specifications and test results are described in every Mill Test certificate provided to Indian Consumers who placed requests according to different end uses. Specialty grades which are dual certified in EN/IS a with special characteristics are not like articles compared to general hot-rolled coils in the Indian market.

C.3. Examination by the Authority

- 20. Since the present investigation is a sunset review investigation, product under consideration remains the same as defined in the previously conducted investigation. Nevertheless, the Authority has examined the claims made by certain interested parties seeking exclusion of certain grades from the scope of the PUC.
- 21. PT. Krakatau-POSCO, Indonesia has sought exclusion of HR Steel not in coil EN S-355 /IS E-350 grades as the domestic industry does not have the capability to produce the same and are far higher in their technical superiority than what is prescribed in European and Indian Standards (EN/IS Specification). Nippon Steel Corporation has sought an exclusion of various grades produced by it as the same cannot be produced by the DI and is not commercially substitutable with the grades produced by the DI. From the information submitted by the domestic industry, the Authority finds that the domestic industry is producing grades EN S-355/IS E 350. Therefore, the Authority finds no reason to exclude these two grades.

22. It has been submitted by producer and exporter from Japan i.e. M.s NSC, that the domestic industry does not produce those grades covered in the product scope; ii) the domestic industry does manufacture certain grades but the quality is not suitable; and iii) for certain grades, the domestic industry does not have customer's approval. The domestic industry has filed a detailed response addressing the claims of these interested parties.
23. To examine the PUC exclusion related issues in an objective manner, the Authority examined the PCNs exported by NSC and those manufactured by the domestic industry during the POI. From the detailed examination of the information, the Authority found that the domestic industry either manufactured exactly matching PCN or a closely resembling PCN for each PCN manufactured by NSC. In view of this, the Authority proposes that no exclusions are warranted from the product scope.
24. The Authority verified that the domestic industry is manufacturing all grades for which it got orders, and has also supplied them to the users in India. No evidence has been furnished by any interested party which establishes that they tried procuring any particular grade from the Domestic Industry against which exclusion has been sought by the producers and exporters in the subject countries but the Domestic Industry was unable to supply the same.
25. In so far as concerns regarding quality are concerned, the Authority notes that difference in quality is not a relevant parameter for exclusion of an article in an anti-dumping investigation as held in a number of investigations including (a) Anti-dumping investigation concerning imports of "Black Toner in powder form" originating in or exported from China PR, Malaysia and Taiwan (F. NO. 6/6/2020-DGTR) and (b) Anti-dumping investigation on the import of Nylon Multi Filament Yarn originating in or exported from China PR, Korea RP, Taiwan and Thailand (F.No. 6/11/2019-DGTR). The Authority also notes that the aspect of quality not being a factor for exclusion of a product from the scope of 'like article' has been held by the Hon'ble CESTAT in DSM Idemitsu Limited vs Designated Authority in which it was held that *"The plea of the appellants' counsel is not convincing since he did not adduce any evidence/technical literature with reference to process of manufacture to show that product manufactured by the domestic manufacturers was different from the goods exported into India. He failed to substantiate that they are not similar and interchangeable except stating that they were of different grades. Difference in quality will not make an article as different and Designated Authority was right in observing 'that the fact that qualities may be different, does not imply that the imported product and the domestic are not like articles'. We do not find any valid reason to disturb the findings given by the Designated Authority on this issue"*
26. Therefore, the Authority finds that no case has been made out by any of the interested parties for grant of any exclusion from the scope of the product under investigation. Accordingly, the Authority confirms the scope of the product under

consideration as defined in the final findings of the original investigation, and also as mentioned in the subject review investigation which is reproduced below:

“Hot-rolled flat products of alloy or non-alloy steel in coils of a width upto 2100mm and thickness upto 25mm and Hot-rolled flat products of 10 alloy or non-alloy steel not in coils (commonly known as sheets and plates) of a width upto 4950mm and thickness upto 150mm”.

The PUC covers products which are not further worked than hot-rolled and are flat products of iron, alloy or non-alloy steel, in prime or nonprime condition having ‘as-rolled’ edge or ‘trimmed’ edge or ‘slit’ edge or “milled” edge or “sheared” edge or “laser-cut” edge or “gas-cut” edge or any other type of edges. These products may be pickled or non-pickled (with or without skin-pass or tempering), slit or non-slit, normalized or un-normalized, ultra-sonically tested or untested or oiled or non-oiled etc. These products may be “as-rolled” or “thermo-mechanically rolled” or “thermo-mechanically controlled rolled” or “controlled rolled” or “normalized rolled” or “normalized” or subject to any other similar process. These products may have patterns in relief / chequered patterns of different types derived directly during hot rolling. These products may have been subjected to various processing steps like pickling, oiling, rewinding, recoiling, temper rolling, heat treatment, etc. These products may be sand blasted or shot blasted or subjected to similar processes. The PUC covers Hot Rolled flat sheets and plates of alloy or non-alloy steel, whether or not rolled from universal plate mill including reversible plate mill or hot strip mill or tandem mill or steckel mill or any other similar process with various type of rolling configuration including 2-High, 3-High, 4-High, cluster mill or any similar hot rolling process. The PUC includes sheets and plates produced either directly from the hot rolling process or cut / sheared from hot rolled coils.

The following are not included in the scope of the product under consideration:

- 1. Hot-rolled flat products of stainless steel.*
- 2. Hot-rolled flat products of steel which are electrolytically plated or coated with zinc.*
- 3. Hot-rolled flat products of steel otherwise plated or coated with zinc.*
- 4. Cladded steel.”*

27. The Authority notes from the information available on record that the product produced by the domestic industry is like article to the product under consideration imported from the subject countries. The product produced by the domestic industry is comparable to the goods imported from the subject countries in terms of physical and chemical characteristics, manufacturing process and technology, functions and uses, product specifications, pricing, distribution and marketing, and tariff classification of the goods. The two are technically and commercially

substitutable. The consumers have used and are using the two interchangeably. The Authority, therefore, holds that the subject goods produced by the domestic industry are like article to the product imported from subject countries in terms of Rule 2(d) of the AD Rules.

D. SCOPE OF THE DOMESTIC INDUSTRY AND STANDING

D.1. Submissions by the domestic industry

28. The domestic industry has made the following submissions with regard to the scope of domestic industry and standing:

- a) The Applicant Indian Steel Association on behalf of Steel Authority of India Limited, JSW Steel Limited and Arcelor Mittal Nippon Steel India Limited constitute major proportion of total Indian production for the subject goods in India.
- b) JSW had imported miniscule quantity of the PUC – [***] MT i.e. ***% of JSW's total production of the PUC.
- c) AMNS, which became an entity related to Arcelor Mittal and Nippon Steel with effect from 16th December 2019 had imported a very small quantity of PUC. Such small quantities do not change the characteristics of the two entities from being a domestic industry within the meaning of Rule 2(b) of the Rules. There is nothing to suggest that AMNS has changed its policy from that of a domestic producer of the subject goods to that of an importer/trader. AMNS has not contributed to dumping from its related entity - Nippon Steel. Imports made by AMNS were negligible in quantity as it is less than (i) [***%] of its own production, (ii) [1%] of total imports into India, (iii) [***%] of total production of domestic industry, and (iv) [***%] of total Indian production. Focus and area of operation of AMNS continues to be manufacture of the subject goods and not indulge in trading of subject goods.
- d) AMNS, is related to Arcelor Mittal and Nippon Steel with effect from 16th December 2019. M/s. Nippon Steel & Sumitomo Metal Corporation, Japan ("NSSMC") has no direct shareholding in AMNS but is a minority stakeholder in an intermediate holding company separated by several intervening independent corporate enterprises. AMNS is a wholly owned subsidiary of ArcelorMittal India Pvt. Ltd., a company incorporated under the laws of India. ArcelorMittal India Pvt. Ltd. itself is a wholly owned subsidiary of Oakey Holdings BV, a company incorporated under the laws of the Netherlands. NSSMC holds minority stake of 40% in the parent company of Oakey Holdings BV i.e. AMNS Luxembourg Holding, in which the majority stake is held by AM Belval & Differdange, Luxembourg. AMNS is an independent, professionally managed company and does not reflect the individual interests of its shareholders. As a domestic producer, the very fact that it has come together with other domestic producers to seek the present sunset review evidences that it is not acting in a manner different from other domestic producers.