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**F. No. 22/03/2022- DGTR
Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Trade Remedies
4th Floor, Jeevan Tara Building, 5, Sansad Marg, New Delhi**

INITIATION NOTIFICATION

Case No. (SG) - 03/2022

Dated: 30th September, 2022

Subject: - Initiation of Bilateral Safeguard Investigation concerning imports of “Ferro Molybdenum” from Korea RP under India-Korea Comprehensive Economic Partnership Agreement (Bilateral Safeguard Measures) Rules, 2017

F. No.22/03/2022-DGTR: Whereas, an application has been filed under India-Korea Comprehensive Economic Partnership Agreement (Bilateral Safeguard Measures) Rules, 2017 (hereinafter also referred to as the “Rules”) by The Indian Ferro Alloy Producers’ Association (hereinafter also referred to as the “applicant”) together with Boon Metal & Alloy Corporation, Premier Alloys & Chemicals Private Limited and Team Ferro Alloys Private Limited (hereinafter also referred to as the “applicant domestic industry”), alleging increased imports of “Ferro Molybdenum” (“FeMO”) (hereinafter also referred to as the “product under consideration” or the “PUC” or the “subject goods”) from Korea RP (also referred to as the “subject country”) causing serious injury to the domestic producers of like or directly competitive product in India.

Product under consideration (PUC)

1. The product under consideration in the present investigation is Ferro Molybdenum also described as FeMO in this notification, falling under the HS code 72027000 of the Customs Tariff Act, 1975. It is a hardening agent found in many alloy steels that are heat treatable. It is used in alloy steel, nickel, cobalt, and titanium alloys which are used for the manufacture of various products of strategic importance such as machine parts & tools, military hardware, magnetic alloys, special steel etc.

Domestic industry and Standing

2. The application has been filed by The Indian Ferro Alloy Producers’ Association along with Boon Metal & Alloy Corporation, Premier Alloys & Chemicals Private Limited and Team Ferro Alloys Private Limited. The applicant companies account for major proportion of the total domestic production of like or directly competitive goods. The applicant companies constitute the domestic industry under the Rules

Period of Investigation (POI)

3. The period considered for the purpose of the present investigation is from April, 2018 to March, 2022. The applicants have claimed surge in imports in Q3 and Q4 of 2021-22.

Subject Country

4. The country involved in the present investigation is Republic of Korea, also stated as Korea RP.

Increased Imports

5. The applicant has claimed that the imports of the product under consideration have increased in absolute terms and in relation to the production and consumption in India. It is noted that there is a sudden, sharp and significant increase in imports of the product between 2018-19 and 2021-22. The applicants have provided information relating to the imports of the product from Korea before tariff concessions. It is seen that there is a significant increase in imports before and after the tariff concessions started. The rate of increase in imports of the subject goods is significant considering the duration, the quantum, the total imports and the consumption in India.

Serious Injury to the domestic industry

6. The applicant has claimed that the increased imports of the product under consideration have caused serious injury to the domestic producers. The market share of the Indian industry has declined, whereas the market share of subject imports has increased. The information provided by the applicant shows that the performance of the domestic industry has declined in respect of parameters such as production, capacity utilisation, sales, and profits. The applicant has requested for immediate imposition of bilateral safeguard measures in view of the significant increase in imports of the subject goods from the subject country.
7. The Authority finds that there is prima facie evidence that the imports of the product under consideration have increased in absolute and relative terms, causing serious injury to the domestic producers of the like article in India, and there is causal link between increased imports and serious injury caused to the domestic industry.

Initiation

8. Having determined that there is prima facie evidence to justify initiation of the safeguard investigation, the Director General considers it appropriate to initiate the investigation in order to determine whether the imports of the product under consideration from Korea RP constitute increased imports and whether the increased imports have caused or are threatening to cause serious injury to the domestic industry.

Submission of information

9. In view of the special circumstances arising out of COVID-19 pandemic, all communication should be sent to the Designated Authority via email at email address jd16-dgtr@gov.in and dd17-dgtr@gov.in with a copy to adv13-dgtr@gov.in and adg16-dgtr@gov.in within 30 days

of receipt of this notice. It should be ensured that the narrative part of the submission is in searchable PDF/ MS Word format and data files are in MS Excel format.

10. It may, however, be noted that in terms of explanation of the said Rule, the notice calling for information and other documents shall be deemed to have been received within one week from the date on which it was sent by the Authority or transmitted to the appropriate diplomatic representative of the exporting country. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record its finding on the basis of the facts available on record in accordance with the Rules
11. Parties interested in the investigation are hereby advised to intimate their interest (including the nature of interest) in the instant investigation and file their questionnaire response/submissions within the time limit specified above.
12. All known interested parties are being informed separately to enable them to file the relevant information in the form and manner prescribed within the time limit specified above. Any other interested party may also make its submissions relevant to the investigation in the form and manner prescribed within the time limit specified above.
13. Any party making any confidential submission or providing information on confidential basis before the Authority, is required to simultaneously submit a non-confidential version of the same. Failure to adhere to the above may lead to rejection of the response/ submissions. The parties making any submission (including Appendices/Annexures attached thereto), before the Authority including questionnaire response, are required to file Confidential and Non-Confidential versions separately.
14. The "confidential" or "non-confidential" submissions must be clearly marked as "confidential" or "non-confidential" at the top of each page. Any submission made without such marking shall be treated as non-confidential by the Authority, and the Authority shall be at liberty to allow the other interested parties to inspect such submissions.
15. The confidential version shall contain all information which is by nature confidential and/or other information which the supplier of such information claims as confidential. For information which are claimed to be confidential by nature or the information on which confidentiality is claimed because of other reasons, the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed.
16. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out (in case indexation is not feasible) and summarized depending upon the information on which confidentiality is claimed. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such

information is not susceptible to summary, and a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority. In case any interested party is not satisfied on the claim of confidentiality the party can raise an objection on the claim within seven (7) days of receiving the non-confidential version of the documents

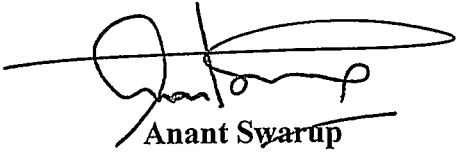
17. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied, the request for confidentiality is not warranted or if the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or in summary form, it may disregard such information.
18. Any submission made without a meaningful non-confidential version thereof or without good cause statement on the confidentiality claim shall not be taken on record by the Authority.
19. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorization of the party providing such information.

Sharing of responses/ submissions amongst interested parties

20. A list of registered interested parties will be uploaded on DGTR's website along with the request therein to email the non-confidential version of the submissions made to all other interested parties. The public file will not be accessible physically due to the ongoing pandemic.

Non-cooperation

21. In case where an interested party refuses access to, or otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.


Anant Swarup
(Director General)