

10 December 2015

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Committee on Safeguards

(15-6529)

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NOTIFICATION UNDER ARTICLE 12.1(A) OF THE AGREEMENT ON SAFEGUARDS ON INITIATION OF AN INVESTIGATION AND THE REASON FOR IT

INDIA

Hot-rolled flat sheets and plates (excluding hot rolled flat products in coil form) of alloy or non-alloy steel having nominal thickness less than or equal to 150mm and nominal width of greater than or equal to 600mm

The following communication, dated 10 December 2015, is being circulated at the request of the Delegation of India.

1. The date of initiation of investigation

The investigation was initiated on 7 December 2015.

2. Period of investigation

2012-13 to 2015-16 (Annualized).

3. Product under investigation

The Product Under Consideration (PUC) is "Hot-rolled flat sheets and plates (excluding hot rolled flat products in coil form) of alloy or non-alloy steel having nominal thickness less than or equal to 150mm and nominal width of greater than or equal to 600mm" and is classified under tariff heading 7208 and 7225 of the Customs Tariff Act, 1975.

4. Reasons for initiation of investigation

The investigation has been initiated following the examination of the safeguard petition of the domestic industry (DI) alleging serious injury and threat thereof caused by increased import of the PUC into India. Relevant factors having significant bearing on the present deteriorating domestic industry, as claimed by DI, *inter-alia*, are

- The import of PUC has shown an increasing trend in absolute terms as well as in relative terms during the period of investigation;
- Market share of domestic producers has fallen in the most recent period from 73% in 2014-15 to 70% during 2015-16 (Annualized);
- Profitability of the domestic industry has declined sharply in 2015-16 (Annualized) leading to financial losses;
- Inventory levels have witnessed a surge from 100 points in 2012-13 to 130 points in 2015-16(A).

Accordingly, it has been found that *prima facie* increased imports of PUC have caused or threatening to cause serious injury to the domestic producers of PUC. Hence, it has been decided to initiate the investigation.

5. Point of contact

All interested parties may make their views known within a period of 30 days from the date of the notice issued (i.e. 7 December 2015) by the Director General (Safeguards) to:

The Director General (Safeguards) Bhai Vir Singh Sahitya Sadan: 2nd Floor, Bhai Vir Singh Marg, Gole Market, New Delhi-110 001, INDIA. Telefax: 011-23741542/23741537 E-mail: dgsafeguards@nic.in

Any other party to the investigation who wishes to be considered as an interested party may submit its request so as to reach the Director General (Safeguards) on the aforementioned address within 15 days from the date of the aforesaid date of issuance of the notice by the Director General (Safeguards).