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Committee on Safeguards

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**NOTIFICATION UNDER ARTICLE 12.4 OF THE AGREEMENT ON SAFEGUARDS
BEFORE TAKING A PROVISIONAL SAFEGUARD MEASURE
REFERRED TO IN ARTICLE 6**

**NOTIFICATION UNDER ARTICLE 12.1(B) OF THE AGREEMENT ON
SAFEGUARDS ON FINDING A SERIOUS INJURY OR THREAT
THEREOF CAUSED BY INCREASED IMPORTS**

**NOTIFICATION PURSUANT TO ARTICLE 9, FOOTNOTE 2
OF THE AGREEMENT ON SAFEGUARDS**

(Non-Alloy and Alloy Steel Flat Products)

INDIA

The following communication, dated and received on 27 March 2025, is being circulated at the request of the delegation of India. India notifies that there has been a finding of serious injury or threat thereof caused by increased imports in continuation to Document No. [G/SG/N/6/IND/50](#) dated 7 January 2025.

NOTIFICATION UNDER ARTICLE 12.4 BEFORE TAKING PROVISIONAL SAFEGUARD MEASURES

1. Specify the product subject to the proposed provisional safeguard measure

The product under consideration is "Non-Alloy and Alloy Steel Flat Products" (hereinafter also referred to as the "product under consideration" or "PUC"), namely (a) Hot Rolled ("HR") coils, sheets and plates, (b) HR Plate Mill Plates ("PMP"), (c) Cold Rolled ("CR") coils and sheets, (d) Metallic Coated Steel coils and sheets, whether or not profiled, including Galvanneal, Coated with Zinc or Aluminium-Zinc or Zinc-Aluminium-Magnesium ("Coated"), and (e) Colour Coated coils and sheets, whether or not profiled ("CC"). The PUC is classifiable under Chapter 72 of the Customs Tariff Act, 1975, under tariff heading 7208, 7209, 7210, 7211, 7212, 7225 and 7226.

The following products are excluded from the scope of the PUC:

- (a) Cold Rolled Grain Oriented Electrical Steel (CRGO)
- (b) Cold Rolled Non-Oriented Electrical Steel (CRNO) coils and sheets
- (c) Coated - Electro Galvanized Steel
- (d) Tinplate
- (e) Stainless steel
- (f) Nickel Coated / Nickel Plated Cold Rolled Steel;
- (g) Rubber Coated Steel;
- (h) Electro Galvanised (EG) – Zinc Nickel Coated Steel;
- (i) Bi-Metal Steel / Bi-Metal Sandwich Steel;
- (j) Brass Coated Steel Wire (wire is part of long steel products, which are not even covered in the notice of initiation);
- (k) CRUTONITE;

- (l) INCONEL;
- (m) Stainless Steel Items (which are not even covered in the notice of initiation);
- (n) Aluminium Coated Steel;
- (o) Aluminium Silicon Coated / Hot Dipped Aluminised Silicon Coated Steel;
- (p) Hot Rolled Clad Steel Plate;
- (q) Nickel Plated Steel / Nickel Plated Strip;
- (r) Copper Plated Steel;
- (s) Laminated Electro Galvanized (EGI);
- (t) Cobalt Plated Steel;
- (u) Silver Plated Steel;
- (v) Titanium Clad Plates;

2. Specify the proposed provisional safeguard measure

Directorate General of Trade Remedies, the competent authority, has recommended the imposition of provisional safeguard duty at the rate of 12% *ad valorem* for 200 days on imports of the PUC. The provisional safeguard duty shall not be imposed on the product categories as specified in the corresponding entry in column (2) of the Table below, when imported into India, at or above the import price on CIF basis as mentioned in the corresponding entry in column (3), in the currency as specified in the corresponding entry in column (5) and as per unit of measurement as specified in the corresponding entry in column (4) of the said Table, namely:

Sl. No. (1)	Unit (2)	Import Price on CIF basis (3)	Unit (4)	Currency (5)
1.	Hot Rolled("HR") coils, sheets and plates	675	MT	USD
2.	HR Plate Mill Plates ("PMP")	695	MT	USD
3.	Cold Rolled ("CR") coils and sheets	824	MT	USD
4.	Metallic Coated Steel coils and sheets, whether or not profiled, including Galvanneal, Coated with Zinc or Aluminium-Zinc or Zinc-Aluminium-Magnesium ("Coated")	861	MT	USD
5.	Colour Coated coils and sheets, whether or not profiled ("CC")	964	MT	USD

3. Specify the proposed date of introduction of the proposed provisional safeguard measure

The provisional safeguard measure will be applicable from the date of issue of notification in this regard by the Department of Revenue, Ministry of Finance, Government of India.

4. Specify the expected duration of the provisional safeguard measure

The proposed provisional safeguard measure will apply for a period of 200 days.

5. Provide the basis for:

i. Making a preliminary determination, as provided for in Article 6, that increased imports have caused or are threatening to cause serious injury; and

A brief summary of the key issues is provided below. The relevant data considered by the competent authority, pertaining to each of the relevant factors under the Agreement, may be seen from the published provisional findings.

a) Increase in volume of imports in absolute terms

The examination of increase in volume of imports in absolute terms was carried out for the POI (October 2023 to September 2024), and the three preceding financial years, i.e., April 2021 to March 2022, April 2022 to March 2023 and April 2023 to March 24. Secondly, the data for the POI was compared to the corresponding 12 months of the previous years, i.e. on an October to

September basis. Thirdly, data for the last six months of the POI, i.e. April 2024 to October 2024 was compared to the corresponding six months of the previous years.

○ *Comparison I - POI data with the 3 preceding Financial Years*

Imports of the PUC as a whole increased from 2.293 million MT (MMT) during 2021-22 to 6.612 MMT during the POI. The cumulative increase was 4.319 MMT or by 188%. On category-by-category comparison, imports of HR Coils and sheets increased by 2.978 MMT (299%) during POI as compared to FY 2021-22, HR Plate Mill Plates by 0.590 MMT (195%), CR Coils and sheets by 0.068 MMT (15%), Metallic coated steel by 0.422 MMT (111%), and Colour coated steel by 0.262 MMT (185%).

○ *Comparison II – 12 months of October to September basis*

Imports of the PUC as a whole, increased by 4.043 MMT or by 157% during October 2023 to September 2024 compared to the base year. The import volumes of each category of the PUC also increased during October 2023 to September 2024 compared to the base year.

○ *Comparison III – Last six months of POI compared corresponding preceding periods*

Imports of PUC as a whole increased from 1.116 MMT during the period April to September 2021 to 3.253 MMT during the period April to September 2024, recording an increase of 2.137 MMT (191%). The increase in imports during the last six months of the POI (April to September 2024) compared to the corresponding six months of the immediately preceding year (April to September 2023) was 113%.

b) Increase in volume of imports in relative terms

The volume of Imports relative to production increased by 147% during the observed period.

c) Serious Injury

The competent authority examined all factors mentioned in the Agreement on Safeguards pertaining to serious injury to the domestic industry. As explained in Section I of the preliminary findings, the competent authority noted that the following parameters of the domestic industry demonstrated serious injury:

- i. Imports have increased significantly in absolute terms, in relation to domestic production, and in relation to demand for the PUC in India.
- ii. The increase in imports was recent, sudden, sharp and significant. Market share of imports have increased, while the market share of the domestic industry declined
- iii. Sales volumes of the domestic industry for the PUC increased during injury analysis period.
- iv. Capacity and actual production increased significantly during the injury analysis period.
- v. Unutilized capacity of the domestic industry increased during the POI.
- vi. Average inventory levels increased significantly both in absolute terms, and in terms of number of days of production or sales.
- vii. Profitability of the domestic industry declined significantly.

d) Threat of Serious Injury

It was seen that the global excess steelmaking capacity, the wave of trade remedy and other protective measures taken against steel products by various countries and the export orientation of producers in large steel producing countries poses a threat of serious injury to the domestic industry.

e) Causation

Imports have increased significantly in absolute terms, in relation to domestic production, and in relation to demand for the PUC in India. A significant percentage of the total imports was found to be undercutting the domestic selling price. In response to the entry of a large volume of imports undercutting the domestic selling prices, the domestic industry had to reduce its prices significantly to remain in the market and to prevent further increase in imports at undercutting prices. There is

a significant price depression and price suppression caused by increased imports. As a consequence, the profitability of the domestic industry has been severely affected, as noted above.

f) Other Known Factors

To ensure that the serious injury is not attributable to factors other than the increase in imports, the competent authority has carried out a preliminary analysis to determine whether the other factors may have contributed to the serious injury suffered by the Domestic Industry.

The competent authority noted that the serious injury to the domestic industry is not on account of changes in technology, regulatory restrictions, contraction in demand, changes in the pattern of consumption, changes in the conditions of competition or export performance of the domestic industry. Consequently, the competent authority has not identified other factors that would weaken the causal link between the increase in imports and the serious injury to the Union producers.

ii. Determining that there are critical circumstances where delay would cause damage which it would be difficult to repair

The competent authority has examined whether critical circumstances exist in which delay would cause damage which it would be difficult to repair.

The volume of imports of the PUC have risen significantly during the POI compared to the same period in the previous years. Furthermore, the volume of imports which undercut the prices of the domestic industry have also risen significantly owing to the significant increase in imports. As a result of the increasing volume of imports of the PUC which undercut the prices of the Domestic Industry, it suffered from price depression as it had to lower prices to maintain sales. Notwithstanding the fact that the domestic industry lowered its prices, imports continued to gain market share throughout the injury period while that of the domestic industry declined. On account of increasing and unabated imports of the PUC, the net sales realization of the DI declined sharply. Consequently, the domestic industry's profitability has declined significantly due to the significant price pressure from increased imports which have gained considerable market share. Therefore, it is clear that any delay in imposition of provisional Safeguard measures would cause further damage to the Domestic Industry which may be irreparable, both in relation to potential closure of capacities as well as decommissioning of future planned investments to increase capacity. Accordingly, it is observed that critical circumstances very much exist warranting the immediate imposition of Safeguard measures.

6. Offer of consultations

Members having a substantial interest as exporters of the product subject to the investigation that wish to consult with India may make a request through the Permanent Mission of India in Geneva.

These consultations shall be held with the Directorate General of Trade Remedies, Government of India, either in person in New Delhi, or via video-conference, during the period **14 April – 18 April 2025**. Members are advised to provide at least two possible dates, and preferred time slots along with their request for consultations.

7. Other information

A copy of Provisional Findings, as published in Part-I Section I of the Gazette of India Extraordinary is attached.¹

¹ See <https://egazette.gov.in/WriteReadData/2025/261696.pdf> In addition, a PDF version of the gazette has been submitted electronically. To consult them, please contact Ms Anne Richards of the Rules Division (anne.richards@wto.org).

NOTIFICATION PURSUANT TO ARTICLE 9, FOOTNOTE 2, OF THE AGREEMENT ON SAFEGUARDS

1 SPECIFY THE MEASURE

Directorate General of Trade Remedies, the competent authority, has recommended to impose provisional safeguard duty at the rate of 12% ad valorem for 200 days on "Non-Alloy and Alloy Steel Flat Products".

2 SPECIFY THE PRODUCT SUBJECT TO THE MEASURE

The product under consideration is "Non-Alloy and Alloy Steel Flat Products" (hereinafter also referred to as the "product under consideration" or "PUC"), namely (a) Hot Rolled ("HR") coils, sheets and plates, (b) HR Plate Mill Plates ("PMP"), (c) Cold Rolled ("CR") coils and sheets, (d) Metallic Coated Steel coils and sheets, whether or not profiled, including Galvanneal, Coated with Zinc or Aluminium-Zinc or Zinc-Aluminium-Magnesium ("Coated"), and (e) Colour Coated coils and sheets, whether or not profiled ("CC"). The PUC is classifiable under Chapter 72 of the Customs Tariff Act, 1975, under tariff heading 7208, 7209, 7210, 7211, 7212, 7225 and 7226.

The following products are excluded from the scope of the PUC:

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- (c) Coated - Electro Galvanized Steel
- (d) Tinplate
- (e) Stainless steel
- (f) Nickel Coated / Nickel Plated Cold Rolled Steel;
- (g) Rubber Coated Steel;
- (h) Electro Galvanised (EG) – Zinc Nickel Coated Steel;
- (i) Bi-Metal Steel / Bi-Metal Sandwich Steel;
- (j) Brass Coated Steel Wire (wire is part of long steel products, which are not even covered in the notice of initiation);
- (k) CRUTONITE;
- (l) INCONEL;
- (m) Stainless Steel Items (which are not even covered in the notice of initiation);
- (n) Aluminium Coated Steel;
- (o) Aluminium Silicon Coated / Hot Dipped Aluminised Silicon Coated Steel;
- (p) Hot Rolled Clad Steel Plate;
- (q) Nickel Plated Steel / Nickel Plated Strip;
- (r) Copper Plated Steel;
- (s) Laminated Electro Galvanized (EGI);
- (t) Cobalt Plated Steel;
- (u) Silver Plated Steel;
- (v) Titanium Clad Plates;

3 SPECIFY THE DEVELOPING COUNTRIES TO WHICH THE MEASURE IS NOT APPLIED UNDER ARTICLE 9.1 OF THE AGREEMENT ON SAFEGUARDS, AND THE IMPORT SHARE OF THESE COUNTRIES INDIVIDUALLY AND COLLECTIVELY

As the imports from developing nations, as listed in Notification No.19/2016-Customs (NT)² dated 5 February 2016, except China PR and Viet Nam do not exceed 3% individually and 9% collectively, the import of product under consideration originating from developing nations except China PR and Viet Nam will not attract Safeguard Duty in terms of proviso to Section 8B (1) of the Customs Tariff Act, 1975.

² A copy of the Notification No.19/2016-Customs (NT) has been submitted electronically. To consult this document please contact Ms Anne Richards of the Rules Division (anne.richards@wto.org).