

**MINISTRY OF COMMERCE & INDUSTRY**  
**DEPARTMENT OF COMMERCE**  
**(Directorate General of Anti-Dumping & Allied Duties)**

**NOTIFICATION**

New Delhi, The 29th March, 2004

**Initiation**  
**(Sunset Review)**

**Subject:** Initiation of Sunset Review of the definitive anti-dumping duty imposed on import of Sodium Cyanide originating in or exported from the US, the EU, the Czech Republic and Korea RP.

**No. 15/9/2003-DGAD** - Having regard to the Customs Tariff Act, 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Duty or Additional Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Designated Authority (herein after referred to as Authority) recommended imposition of provisional Anti Dumping Duty on imports of Sodium Cyanide (hereinafter referred to as subject goods) originating in or exported from the US, the EU, the Czech Republic and Korea RP (hereinafter referred to as subject countries). The preliminary findings of the Authority were published vide Notification No. 8/1/99-DGAD dated 15th October 1999 and provisional duty was imposed on the subject goods vide Notification No. 134/99-Customs dated 27th December 1999. The Authority came out with the final findings on 7th March 2000 and definitive antidumping duty was imposed vide Notification No. 83/2000 dated 6th June 2000, as amended by notification No. 10/2001-Customs dated 31st January 2001.

**2. Request for Review**

WHEREAS in terms of the Customs Tariff (Amendment) Act 1995 the antidumping duty imposed shall unless revoked earlier, cease to have effect on expiry of five years from the date of such imposition.

AND WHEREAS the Rules supra require the Authority to review from time to time, the need for continued imposition of Anti Dumping Duty and if it is satisfied, on the basis of information received by it that there is no justification for continued imposition of such duty, the authority may recommend to the central government for its withdrawal. Notwithstanding the above provision the authority is required to

review, on the basis of a duly substantial request made by or on behalf of the domestic industry, within a reasonable period of time prior to the date of the expiry of the measure, whether the expiry of duty is likely to lead to continuation or recurrence of dumping and injury.

In terms of the above provisions the Domestic Industry has approached the authority with a duly substantiated petition requesting for such a review, the Designated Authority considers that initiation of sunset review proceedings for the Anti Dumping Duty in force would be appropriate to examine the need for continued imposition of such duty to offset dumping and whether the injury would be likely to continue or recur if the duty were removed or varied or both.

### **3. Grounds for review**

The request is for continuation and enhancement of the antidumping duties in force. The request is based on the grounds that dumping has increased in respect of imports from Korea and the expiry of the measure against other countries would be likely to result in continuation or recurrence of dumping and injury to the domestic industry.

The applicant has inter-alia claimed that the Korean exporters have significantly increased their world exports of the product and their prices have been showing declining trends while major exporting countries are showing rising price trend. The applicant further claim that while producers and exporters in Korea and EU continue to export the product to India at dumping prices, the producers and exporters in USA and Czech republic would resort to dumping should the present antidumping duty be revoked. The applicant claims that producers/exporters in USA and Czech Republic have been exporting significant volumes of the product under consideration to a number of other countries at dumped prices.

The applicant further claims that the existing capacities of the subject goods in the subject countries far exceed their domestic demands which increases the likelihood of recurrence of dumping once the antidumping duty is removed.

The applicants claim that the situation of the Indian producers have been aggravated by targeted predatory pricing, given that the prices at which the material is being imported in India are quite low as compared to the export price of these exporters to other countries.

### **4. Initiation**

Having satisfied itself on the basis of the positive evidence submitted by the domestic industry substantiating the need for a review, the Authority hereby initiates a review

in accordance with Rule 23 of Antidumping Rules, to review the final findings of the Authority notified on 7th March 2000 and definitive duty imposed by Customs Notification No. 83/2000 dated 6th June 2000, as amended vide notification No. 10/2001-Customs dated 31st January 2001.

## **5. Product under Consideration**

The product involved in the present investigation is Sodium Cyanide, originating in or exported from the subject countries, classified under Customs subheading 283711 of Customs Tariff Act attracting 20% basic duty with effect from 9.1.2004. This classification is only indicative and in no way binding on the scope of present investigation. Sodium Cyanide is a pure basic inorganic chemical. It is manufactured by reacting Hydro Cyanic Acid (HCN) with Caustic Soda. It is mainly used by industries such as dye intermediates, Electro-plating chemicals and for manufacture of heat treatment salts.

## **6. Procedure**

The investigation will determine whether the expiry of the measure would be likely to lead to a continuation or recurrence of dumping and injury. The authority will examine whether the continued imposition of the duties is necessary to offset dumping and whether the injury would be likely to continue or recur if the duty were removed or varied, or both.

- i. The review will cover all aspects of Notification No8/1/99-DGAD dated 7th March 2000.
- ii. The countries involved are the US, the EU, the Czech Republic and Korea RP.
- iii. The period of investigation for the purpose of the present review is from 1st April 2003 to 31st December 2003.
- iv. The provisions of Rules 6,7,8,9,10,11,16,17,18,19 and 20 of the Rule supra shall be mutatis mutandis applicable in this review.

### **6.1 Submission of Information:**

The exporters in subject countries, their governments through their embassies in India, the importers and users in India known to be concerned and the domestic industry are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Authority in the following address:

#### **The Designated Authority**

Directorate General of Anti-Dumping and Allied Duties  
Ministry of Commerce and Industry

Department of Commerce  
Udyog Bhavan  
New Delhi-110011. Fax: 91-11-23014418

Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within the time limit set out below.

### **6.2 Time Limit:**

Any information relating to the present sunset review and any request for hearing should be sent in writing so as to reach the Authority at the address mentioned above not later than forty days (40 Days) from the date of publication of this Sunset Review Notification. If no information is received within the prescribed time limit or the information received is incomplete, the Designated Authority may record its findings on the basis of the facts available on record in accordance with the Rules supra.

### **6.3 Inspection of Public File:**

In terms of Rules 6(7), any interested party may inspect the public file containing non - confidential version of the evidence submitted by other interested parties. 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.

**(Abhijit Sengupta)**  
Designated Authority