

MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
(DIRECTORATE GENERAL OF ANTI-DUMPING &
ALLIED DUTIES)

NOTIFICATION

New Delhi, the, 25th October, 2004

Initiation

Subject: Initiation of Anti-Dumping investigation against import of Sodium Cyanide from Chinese Taipei.

1. Initiation

F.NO. 14/14/2004-DGAD: WHEREAS M/s Cyanides and Chemicals Company, Mumbai (herein after referred to as applicant) has filed an application before the Designated Authority (hereinafter referred to as this Authority), in accordance with the Customs Tariff (Amendment) Act, 1995 (herein after referred to as the Act) and Customs Tariff (Identification, Assessment and Collection of Anti Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (herein after referred to as the Rules), alleging dumping of Sodium Cyanide (herein after referred to as subject goods), originating in or exported from Australia and Chinese Taipei and requested for initiation of Anti Dumping investigations for levy of anti dumping duties on the subject goods originating or exported from the above countries.

AND WHEREAS, this Authority finds that no export of the subject goods have been reported from Australia in the year 2003-04 though imports were reported in the year 2002-03 and therefore, finds no prima facie evidence of allegation of dumping from that country. However, there is substantial import from Chinese Taipei dumping the same period and on the basis of submissions made, this Authority is of the view that there is sufficient prima facie evidence of dumping of subject goods from this country. On the basis of information provided there is prima facie evidence of injury caused to the domestic industry and causal link between the dumped imports and injury suffered by the domestic industry. Therefore, this Authority hereby initiates an investigation into the alleged dumping of the subject goods from Chinese Taipei, and consequent injury to the domestic industry in terms of the Rules 5 of the said Rules, to determine the existence, degree and effect of any alleged dumping and to recommend the amount of antidumping duty, which if levied would be adequate to remove the injury to the domestic industry.

2. Products 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.

3. Domestic industry and Standing

The application has been filed by M/s Cyanides and Chemicals Company (CCC) (Prop. Hindustan Engineering & Industries Ltd.) who produces more than 60% of total domestic production of the subject goods in India. The only other domestic producer of the subject goods in India is Gujarat Alkalies & Chemical Ltd. (GACL) who has supported the application made by CCC. Standing requirement of the applicant has been examined in terms of the Rule 5 of the said Rules and this Authority is of the opinion that the applicant commands major proportion of domestic production of the product involved and therefore, satisfy the criteria of standing as domestic industry to file this application in terms of Rule 5(3) (a) of the Rules.

4. Like articles

The applicant has claimed that Sodium Cyanide produced by the domestic industry and imported from subject country are identical in all essential characteristics and therefore, like articles within the meaning of the term as per the Rules.

5. Normal values

The applicant has alleged that the exports from the subject country are being made at prices not supported by associated cost of production. Therefore, the ex-works normal value of the subject good in the subject country has been estimated on the basis of the data available on cost of production of the goods in the subject country plus a reasonable profit.

6. Export prices

The export prices of individual products have been estimated on the basis of data collected from DGCI&S and other secondary sources. Adjustments on account of ocean freight, marine insurance, commission, inland transportation in the

Countries/territories of export, port handling and port charges have been made to arrive at the Export Price at ex-factory level.

7. Dumping margins

There is sufficient evidence that Normal Values of the subject goods in the subject country is significantly higher than the net export prices indicating prima-facie that the subject goods are being dumped in the Indian market by exporters from the subject country.

8. Injury and causal link

The applicant has furnished information on various parameters relating to injury on account of the import of the subject goods from the country involved. Parameters, such as increase in volume of imports both in absolute terms and in relation to the demand of the products, loss in market share, price under-cutting, price under-selling, Price depression, low return on investments, profitability and cash loss in the manufacturing of subject goods, prima-facie indicate, that the Domestic Industry has suffered material injury on account of dumping from the subject country.

9. Procedure

- a. Countries involved Though the applicant has requested for initiation of an antidumping investigation against Chinese Taipei and Australia with two different Periods of Investigations, the Authority hereby initiates the investigation against Chinese Taipei alone as there is no imports from Australia during 2003-04 to demonstrate continuation of dumping from that country.
- b. Period of investigation (POI): The period of investigation (POI) for the purpose of present investigation is 1.4.2003 to 31.3.2004. The injury investigation period will however, cover the period 2000-01 to 2002-03 and the POI.
- c. Submission of information : The exporters in the subject Country, their governments through their embassies/ representatives in India, the importers and users in India known to be concerned and the domestic industry are requested to submit relevant information in the form and manner prescribed and to make their views known to the:

The Designated Authority
Directorate General of Anti-Dumping and Allied Duties
Department of Commerce
Udyog Bhavan
New Delhi-110011.

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.

d. Time limit

Any information relating to the present investigation should be sent in writing so as to reach the Authority at the address mentioned above not later than forty (40) days from the date of publication of this notification. The known exporters and importers, who are being addressed separately, are however, required to submit the information within (40) forty days from the date of the letter addressed to them.

e. Inspection of public file

In terms of Rule 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