

**Ministry of Commerce & Industry**  
**Department of Commerce**  
**(Directorate General of Anti-Dumping and Allied Duties)**

New Delhi, the 8<sup>th</sup> October, 2007

**Initiation (Sunset Review)**

**Subject: Initiation of Sunset Review on anti-dumping duty imposed on imports of Acrylonitrile Butadiene Rubber (NBR) originating in or exported from Germany and Korea RP.**

**No. 15/6/2007-DGAD-** Whereas having regard to the Customs Tariff Act, 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Antidumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, (herein after referred to as AD Rules), the Designated Authority (herein after referred to as Authority) recommended imposition of definitive antidumping duty on imports of Acrylonitrile Butadiene Rubber (NBR) (hereinafter referred to as subject goods) originating in or exported from Germany and Korea RP (hereinafter referred to as subject countries) No: 9/1/1995 dated 17.7.1997

The Authority conducted a Sunset review of the said definitive duty and recommended continued imposition of definitive antidumping duty on import of the subject goods from the subject countries vide notification 50/1/2001-DGAD dt 21.9.2002 and such duty was imposed vide notification No. 111/2002-Customs dt 10.10.2002 for a further period of 5 years.

The form of the duty was amended vide notification No. 61/2005- Customs dated 5.7.2005 in terms of CESTAT order No. 14-18/04-AD dated 1.7.2004.

The Authority conducted a mid term review in terms of Section 9A (5) read with Rule 23 on the request of an exporter from Korea and issued its final findings vide notification No. 15/2/2004-DGAD dated 6.6.2005 recommending revised duty.

The said duty was further amended vide notification No. 11/2007-Customs dated 31.1.07 in terms of CESTAT Order No.. 37-39/06-AD dt 22.9.2006

**2. Request for Review**

Whereas in terms of Section 9A (5) 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.

Provided that if the Central Government, in a review, is of the opinion that the cessation of such duty is likely to lead to continuation or recurrence of dumping and injury, it may, from time to time, extend the period of such imposition for a further period of five years and such further period shall commence from the date of order of such extension.

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 continued in spite of imposition of antidumping duty on import of the subject goods from the subject countries and the domestic industry continues to suffer material injury on account of dumping from the subject countries. The applicant has further argued that expiry of the measure against these countries would be likely to result in continuation or recurrence of dumping and injury to the domestic industry.

### **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 Section 9 A (5) of the Act, read with Rule 23 of Antidumping Rules, to review the need for continued imposition of duties in force and whether the expiry of the duty would be likely to lead to continuation or recurrence of dumping and injury.

### **5. Product under Consideration**

The product involved in the present investigation is Acrylonitrile Butadiene Rubber (NBR), primarily used where oil resistance, abrasion resistance and heat resistance applications are involved. NBR is widely used in Defense, Automobile, Footwear, Fabrics, Printers, Oil field products industries etc. The product is classified under the category of synthetic rubber under sub-heading no. 40.02 at four-digit level and under no. 4002.59 at six-digit level and 400259.00 at the eight-digit level. This classification is only indicative and in no way binding on the scope of present investigation. The product investigated in the original investigation covered all types of NBR in the bale form only. Therefore, the same product will be covered within the scope of this investigation.

### **6. Procedure**

- i) 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.
- ii) The review will cover all aspects of Notification dated 21.9.2002 and 6.6.2005
- iii) The countries involved in this investigation are Germany and Korea RP.
- iv) The period of investigation for the purpose of the present review is from 1st April 2006 to 31st March 2007.

v) 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.

7. **Submission of Information:**

The exporters in the subject country, their government through their Embassies/High Commissions in India/representatives, 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:

**The Designated Authority,  
Ministry of Commerce & Industry,  
Department of Commerce,  
Directorate General of Anti-Dumping & Allied Duties, (DGAD),  
Room No. 240, 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. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other parties.

8. **Time Limit:**

Any information relating to the present 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 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 AD Rules.

9. **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.

**(R. Gopalan)**  
**Designated Authority**