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Government of India

Ministry of Commerce & Industry

Department of Commerce

Directorate General of Anti Dumping & Allied Duties

Udyog Bhawan, New Delhi

Dated the 6th July, 2009

Initiation Notification (Sunset Review)

Subject: Sunset review of anti-dumping duty imposed on Acrylic Fibre originating in or exported from Japan and Belarus.

No.15/34/08 - DGAD - Whereas 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 (herein after referred to as ADD Rules), vide Notification Number 15/04/2003-DGAD dated 10.11.2004, the Designated Authority (herein after referred to as the Authority) notified its final findings in the review investigation recommending continuation of antidumping duty on import of Acrylic Fibre (hereinafter referred to as subject goods) originating in or exported from Japan. The original anti dumping investigation was initiated on 7.01.1998 and definitive anti dumping duty was recommended vide final findings Notification No.32/1/97-ADD dated 24.12.1998 on Italy, Spain, Portugal and Japan. However, in the first Sunset review, the continuation of anti dumping duty was recommended only from Japan. On the basis of findings, definitive anti-dumping duties were imposed on the subject goods by the Department of Revenue vide notification No. 114/2004-Cus. dated 21.12.2004.

And whereas the Authority vide Notification No. 14/5/2003 dated 7th December 2004 notified its final findings in anti-dumping investigation recommending definitive antidumping duty on imports of Acrylic Fibre originating in or exported from Belarus. On the basis of findings, the definitive anti-dumping duties were imposed on the subject goods by the Department of Revenue vide Customs Notification No. 117/2004 dated 30.12.2004.

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 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.

AND WHEREAS, in terms of the above provisions, the Forum of Acrylic Fibres Manufacturers, New Delhi through the participating companies, viz., M/s. Indian Acrylics Ltd, M/s. Vardhman Acrylics Ltd. and M/s Pasupati Acrylon Ltd. has approached the authority with an application containing information, requesting for sunset 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 duty in force. The request is based on the grounds that imports are still continuing. The circumstances which were prevalent at the time of original investigations are very much in existence till date. There has been no change in circumstances, which only reflects that the dumping would recur at the same aggravated level at which it was at the time of original investigation. The applicant has further argued that the domestic industry is facing continued dumping and consequent injury from subject countries and there is no reason or justification to believe that revocation of the duty would lead to increased or continued dumping and at large scale with consequent severe injury to the domestic industry.

4. Initiation

In view of judgement of Hon'ble Delhi High Court in WP No 16893 of 2006 holding that sunset review is mandatory, 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 original investigation and this sunset review is Acrylic Fibre. Acrylic Fibre is a long chain of synthetic polymer composed of at least 90% by weight of Acrylonitrile units. Acrylic Fibre can be acrylic staple fibre, acrylic tow or acrylic top. Acrylic staple fibre, acrylic tow and acrylic top are known as acrylic fibre in the commercial parlance. The only difference between acrylic staple fibre and acrylic tow is the difference in length. In case of length more than 2 meters, it is known as tow and in case of cut lengths, it is known as staple fibre. It is classified under Chapter 55 of the Customs Tariff Act, 1975. It is further classified under the heading 550130 and 550330 of schedule-I of Custom Tariff Act. The classification is, however, indicative only and is in no way binding on the scope of the present investigation.

The product investigated in the original investigation was Acrylic Fibre therefore; the scope of the product under consideration in this review would remain same.

6. Procedure

D) 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 No. 15/4/2003-DGAD dated 10.11.2004 and of Notification No. 14/5/2003-DGAD dated 07.12.2004.
- ii. The countries involved in this review investigation are Japan & Belarus.
- iii. The period of investigation (POI) for the purpose of the present review is from 1st January 2008 to 31st December 2008. However, for the injury examination, the period is April 2005-March 2006, April 2006-March 2007, April 2007-March 2008 and POI.

- 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.

II) Submission of Information:

The exporters in subject countries, their governments through 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: 91-11-23063418

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.

III) 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.

IV) 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.

(R. Gopalan)
Designated Authority