

MINISTRY OF COMMERCE

INITIATION NOTIFICATION

New Delhi, the 22nd December, 1997

Subject: Initiation of anti dumping investigation concerning import of Lovastatin from China PR.

No. 11/1/97-ADD. - M/s Artemis, Pharmaceuticals Ltd. has filed a petition in accordance with the Customs Tariff (Amendment) Act, 1995 and Customs Tariff (Identification, Assessment and Collection of Anti Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 before the designated Authority (hereinafter referred to as the Authority) alleging dumping of lovastatin from the People's Republic-of China (referred to as China PR hereinafter) and requested for anti dumping investigations and levy of anti dumping duties.

1. **Standing:** The petitioner has claimed that it is-the only producer, of the like goods in India and, therefore, satisfies the standing to file the petition, on behalf of the domestic industry.

2. **Product Involved:** The product involved in the present investigations is lovastatin originating in or exported from China PR.

Lovastatin is classified under custom sub-heading No. 29.41 of the Customs Tariff Act. The classification is, however, indicative only and is in a way, binding on the scope of the present investigations.

3. **Country (ies) involved:** The country, involved in the present investigation is the People's Republic of China.

4. **Like Goods:** The petitioner has alleged that Lovastatin produced by them has characteristics closely resembling lovastatin being imported from China PR and the two are being consumed interchangeably. The petitioner has claimed that lovastatin produced by the domestic industry should be treated as like article to the lovastatin imported from China PR.

5. **Dumping and Dumping Margin:**

- a. Normal value: The petitioner has not furnished normal value based on the prices prevailing in the Chinese market. The petitioner has claimed normal value on the basis of the price at which lovastatin has been exported from

China PR to other countries. The petitioner has supplemented its claim of normal value on China PR on the basis of cost of production constructed for China PR.

- b. Export price: The petitioner has claimed export price on the basis of photocopies of quotations, raised by the exporters from China PR on Indian consumers.
- c. There is sufficient prima facie evidence with regard to the normal value of lovastatin in China PR and the export price to India. There is sufficient evidence that the normal value of lovastatin in China PR is significantly higher than the export price, indicating, prima facie, that the goods are being dumped by the exporters from China PR.

6. Injury: The petitioner has claimed that imports of lovastatin from China PR increased from nil (upto 1995-96) to 1400 kgs. (1996-97) and 525 kg. (Apr.-July, 1996, 2100 kgs. on annualized basis). The petitioner claimed that it started commercial production in the month of November, 1996 with a capacity of 2000 kgs., but could not sell and, therefore, suspended the production. The petitioner has further claimed that import price from China PR declined sharply from US \$ 4300 per kg. (as on 26-11-97) to US \$ 2400 per kg. as on 13-8-97.

The various economic indicators relating to domestic industry such as production, sales, market share., profit/loss etc. also collectively and cumulatively, prima facie, indicate that the domestic industry has suffered injury.

7. Initiation of Anti-Dumping Investigation: The Authority, therefore, initiates antidumping investigating rations into the existence, degree and effect of alleged dumping of the subject goods originating in or exported from the said: country.

8. Period of investigation: The period of investigation for the purpose of the present investigations is 1st, July 1996 to 30th June, 1997 (12 months).

9. Submission of Information: The exporters in China PR and the importers in India known to be concerned are being addressed separately to submit relevant information in toe form and manner prescribed and to make their views known to the Designated Authority, Ministry of Commerce, Anti Dumping Division, Udyog Bhavan, New Delhi-1 10011. 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.

10. Time limit: Any information relating to the present investigations should be sent in writing so as to reach the Authority at the address mentioned above not later than forty 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 forty days from the date of letter addressed to them separately.

11. **Inspection of Public File:** In terms of Rule 6(7), any interested party may inspect the public file containing nonconfidential version of the evidence submitted by other interested parties.

12. To 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.

RATHI VINAY JHA,
Designated Authority