

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

NOTIFICATION

New Delhi, the 28th April, 2000

PRELIMINARY-FINDINGS

Sub: Anti-Dumping Investigation concerning import of Black & White photographic paper including both Resin coated/fibre based from UK, France and Hungary

No. 19/1/99-DGAD.- Having regard to the Customs Tariff Act 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on dumped Articles and for Determination of Injury) Rules, 1995, thereof:

A. PROCEDURE

1. The procedure described below has been followed with regard to the investigation:
 - i. The Designated Authority (hereinafter also referred to as Authority), under the above Rules, received a written application from the Petitioner M/s The New Indian Industries Limited (NII) and M/s Hindustan Photo Films Manufacturing Company Limited (HPF) having registered offices at Jetalpur Road, Post Box No. 2511, Baroda-390005 and Post Bag no. 1, Indu Nagar, Ootacamund643005 respectively on behalf of domestic industry, alleging dumping of Black & White photographic paper including both Resin coated /fibre based (hereinafter also referred to as subject goods) originating in or exported from UK, France, Hungary and Czech Republic.
 - ii. Preliminary scrutiny of the application filed. by petitioner revealed certain deficiencies, which were subsequently rectified by the petitioner. The petition was, therefore, considered as properly documented.
 - iii. The imports from Czech Republic were found to be de-minimus during the period of investigation i.e. 1.4.98 to 30.6.99 and, therefore, Czech Republic was excluded from the scope of the investigation. The Authority, on the basis of sufficient evidence submitted by the petitioner decided to initiate the investigation against imports of subject goods from UK, France and Hungary (hereinafter referred to as subject countries). The authority notified the Embassies of UK, France and Hungary in New Delhi about the receipt of

- dumping allegation before proceeding to initiate the investigation in accordance with sub-Rule 5(5) of the Rule.
- iv. The Authority issued a public notice dated 27.8.99 published in the Gazette of India,, Extraordinary, initiating anti-dumping investigations concerning imports of the subject goods classified under custom Code 3703.10 & 3703.90 of Schedule I of the Customs Tariff Act, 1975 originating in or exported from UK, France do Hungary.
 - v. The Authority forwarded a copy of the public notice to all the known exporters (whose details were made available by petitioner) and industry associations and gave them an opportunity to make their views known in writing in accordance with the Rule 6(2):
 - vi. The Authority forwarded a copy of the public notice to all the known importers (whose details were made available by petitioner) of subject goods in India and advised them to make their views known in writing within forty days from the date of issue of the letter. ‘
 - vii. Request was made to the Central Board of Excise and Customs (CBEC) to arrange details of imports of subject goods made in India during the past three years, including the period of investigation.
 - viii. The Authority provided a copy of the petition to the known exporters and the Embassy of the subject countries in accordance with Rules 6(3) supra. A copy of the petition was also provided to other interested parties, wherever requested.
 - ix. The Authority sent a questionnaire to elicit relevant information to the following known exporters/producers, in accordance with the Rule 6(4):
 1. M/s Ilford Limited, Brussels
 2. M/s Agfa-Gevaert S.A. C/o M/s Bayer India Ltd, New Delhi
 3. M/s Kentmere Limited, UK
 4. M/s Forte Photochemical Company, Hungary
 5. M/s Chemofort Trading Ltd., Hungary

A number of parties requested for extension of time for filing information, which was allowed on due cause shown by the Authority upto 15.11.99.

- x. The Embassies of the subject countries in New Delhi. were informed about the initiation of the investigation in accordance with Rule 6(2) with a request to advise the exporters/producers from their countries to respond to the questionnaire within the prescribed time. A copy of the letter, petition and questionnaire sent to the exporters, was also sent to the Embassies of the subject countries alongwith a list of known exporters/producers.
- xi. A questionnaire was sent to the following known importers/user associations of the subject goods for necessary information in accordance with Rule 6(4):

1. M/s Allied Photographics India Ltd. (APIL), Mumbai
2. M/s Jindal Photo films Ltd., New Delhi
3. M/s Techno Foto Pvt. Ltd., Uttar Pradesh
4. M/s Sundar International, Mumbai

A number of parties requested for extension of time for filing information, which was allowed on due cause shown by the Authority upto 15.11.99.

Response to the questionnaire/notification was filed by the following exporters/producers:

1. M/s Kentmere Photographic Limited, UK
2. M/s Ilford Imaging Limited, UK
3. M/s Forte Photochemical Co. Ltd., Hungary
4. M/s Agfa-Gevaert AG, Germany

Response to the questionnaire/notification was filed by the following Importers/user Associations:

1. M/s Jindal Photo Films Limited, New Delhi
 2. M/s Techno Foto Pvt. Ltd., UP
 3. M/s Delhi Professional Photographers Association, New Delhi
 4. M/s Allied Photographics India Ltd. (APIL), Mumbai
- xii. Additional information regarding injury and product under consideration was sought from the petitioner(s), which was also furnished. The information on injury and cost of production was provided by the petitioner.,
- xiii. The Authority conducted on the spot investigations at the premises of the petitioners) to the extent considered necessary.
- xiv. The Authority kept available non-confidential version of the evidence presented by various interested parties in the form of a public file maintained , by the Authority and kept open for inspection by the interested parties;
- xv. Cost investigation was also conducted to work out optimum cost of production and cost to make and sell the subject goods in India on the basis of Generally Accepted Accounting Principles (GAAP) and the information furnished by the petitioner.
- xvi. ****in this notification represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules.
- xvii. Investigation was carried out for the period starting from 1.4.98 to 30.6.99 i.e. the period of investigation (POI).

B. VIEWS OF EXPORTERS, IMPORTERS AND OTHER INTERESTED PARTIES

1. PETITIONER'S VIEWS

a) ON PRODUCT UNDER CONSIDERATION

1. The product under consideration is black and white photographic paper including both resin coated and fibre based papers classified under Custom Tariff sub-heading no. 3703.10 & 3703.90 of the Customs Tariff Act, 1975. The photographic paper is used for taking positive prints and enlargements from negatives. The technical specifications of the photographic paper is described in terms of contrast, sensitivities, printing range image tones, grammage, service texture etc. Black and white photographic paper both resin coated and fibre based is produced by coating of chemical emulsion over the raw base paper using the coating techniques. The type of paper and the emulsion required for RC type and fibre based photographic paper are different. The coated jumbo rolls are, thereafter slitted to commercial sizes and packed.

b) ON DOMESTIC INDUSTRY

1. There are three producers of Black and White photographic paper in India i.e. M/s NII, M/s, HPF and M/s Ravi Shankar. M/s HPF has mainly job work orders and M/s RaviShankar has closed the operations.
2. Regarding relationship between M/s NII and M/s APIL, the amended anti-dumping rules notified on 15.7.99 would apply to the present investigations. The Designated Authority has a discretion with regard to the issue of relationship and inclusion/exclusion of a company which is related to an exporter, an importer or is itself an importer of the subject goods. Designated Authority has applied amended rules in number of cases. There are number of cases in the EU wherein the community authorities have included the importer in the scope of domestic industry.
3. M/s NII and M/s APIL are public limited companies and governed by Companies Act and their memorandum of Association and Articles of Association., The day to day functioning of the two companies is vested in the whole time director of each company, who are professional persons and, therefore, day to day operations of the two companies are not related.
4. The common Director can't in any situation influence a decision where desired as he lacks necessary quorum nor is he allowed to participate in interested issues.

5. The common Director in any case is constrained by Section 30 of the companies Act, 1956 for participating in matters of the company in which he is interested.
6. The question of M/s NII and M/s APIL relationship has been examined by the Government bodies in 1969 and as well as in 1974 and High Court in 1987 has passed the order for refund of the excise duty levied.
7. M/s NII and M/s APIL are basically run by the Board of Director who control all aspects of business. They have to refer to the share holders only in instances which are covered under Section 293 of the companies Act, 1956.
8. A person or Company can not control the other merely because of investments.
9. The whole case of M/s NII is that M/s APIL has imported the material which has caused material injury to the company.

c) ON LIKE ARTICLE

1. There is no significant difference in the petitioner's product and photographic paper exported from subject countries. The two are similar in terms of physical characteristics (size, chemical composition, and raw material), manufacturing process/technology, functions and uses, product specifications, pricing, distribution and marketing and tariff classification.
2. There is no significant difference in the-production process as employed by the petitioners and the exporters in the subject countries which can have an impact on price barring some differences in the coating techniques.

D) ON DUMPING

1. The normal value of the subject goods in UK, France' and Hungary are illustrated on the basis of the price list for sales of subjects goods in UK under Section 9A (1)(c)(I), normal value in relation to an article means the comparable price for the like article when meant for consumption in the exporting country or territory. The normal value for France and Hungary being members of EU may also be referenced from the price list submitted for UK.
2. The export price from these countries are evident from the information compiled by the secondary source viz. informant since the DGCI&S data contain only weight in MT and the subject goods are imported in various denominations in the country.
3. The export price may be adjusted for packing, clearing and forwarding to an extent of ***\$/sqmtr. Respectively.

E) ON INJURY

1. The import of photographic paper are increasing and the market share of Indian industry is declining.
2. The production of domestic industry is declining due to increase in dumped imports from the subject countries. M/s NII has reduced its production and M/s HPF have stopped producing except for job orders. The capacity utilization of M/s NII which was 79.64% in 93-94 declined to 58.8% in 96-97 and has stagnated at that level. The sales volume of domestic industry is declining due to increase in imports.
3. The imports from subject countries have suppressed the prices of the subject goods in India.
4. The increase in imports by M/s APIL is the market loss by the Indian industry.
5. Despite lower sales and production, industry has to maintain the employment level to product labour establishments.
6. The profitability of the domestic industry has reduced in the last 5 years.
7. There is no significant change in the demand of black and white photographic paper in India. Though demand of black and white paper has not increased to the extent it should have been, in view of increasing use of coloured photographic paper yet the demand has not declined to a significant degree. The changes in demand have, therefore, not contributed to any injury to the domestic industry.

2. EXPORTER'S VIEWS

a) ON PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

M/s Forte Films and papers, Hungary has made the following submissions,-

1. There are two types of products delivered to India by them both mainly in the size of 18 x 24 Cm i.e. fibre based double weight photo paper and resin coated RC photo paper.

M/s Ilford Imaging has made the following submissions :-

1. M/s HPF has not manufactured resin-coated paper at all during the investigation period. Therefore, there would be no domestic producer for this product at all.
2. There is a distinction between photographic paper in jumbo rolls and the cut and finished paper. Since rolls requires further processing as well as packaging before the same can be sold in the market in the cut and finished form.
3. The domestic industry exists' in respect of finished and cut photographic paper. Neither of the two domestic producers is selling black and white photographic paper in jumbo rolls which is an industrial raw material distinct in its identity

and functionality from the cut and finished paper. In the absence of a product similar to the photographic paper in jumbo rolls being manufactured and sold in India, there is no domestic industry for this product and, therefore, investigations are required to be confined to exports of Black and White Photographic paper in their finished and ready to use form.

4. Commercially as well as legally black and white photographic paper in jumbo rolls is not comparable to finished and ready to use paper. The products are priced differently in various markets and their costs of production are also different. The manner in which the two products are sold in international trade also varies. The two products functionally are not interchangeable. As per the Indian Law, the conversion of photographic paper from jumbo rolls into finished products has been treated as a process of manufacture by a circular issued by the Central Board of Excise and Customs (CBEC). Therefore, there is no domestic industry in India for black and white photographic paper in jumbo rolls.

b) ON DOMESTIC INDUSTRY

M/s Ilford has made the following submissions:-

1. M/s NII and M/s APIL fall within the definition of related person on account of M/s NII being significant share holder in M/s APIL, both companies being operationally under common management i.e. Shri G D Ghia who is the chairman of the complainant company is a Director in M/s APIL.
2. M/s NII sells to M/s APIL by passing substantial portion of its products to M/s APIL thereby benefiting its profit which indicate extra commercial relationship between the two companies.
3. M/s APIL uses the brand name 'Sterling' which is the registered brand name for M/s NII for all photo sensitised materials. It is unclear as to why M/s NII who claims to be aggrieved by the imports from M/s Ilford has permitted an importer to sell the allegedly dumped import goods under its own brand name. This indicates that M/s APIL is operationally in a position to exercise restraint or direction over M/s NII. Also the balance sheet of M/s APIL does not reflect any payment made by M/s APIL to M/s NII for use of this brand name.
4. M/s Ilford and M/s APIL had legal agreement for sale of M/s, Ilford paper in India under the brand name 'Sterling' which has been signed by Mr. G D Ghia.,
5. The Hon'ble Supreme Court in a number of cases have held that "the veil of corporate entity can be lifted to pay regard to the economic realities behind the legal facade. DA should not hesitate to lift the corporate veil and to examine the person or persons who are behind the two companies.

c) ON LIKE ARTICLE

M/S Ilford has made the following submissions:-

1. There is a domestic industry in respect of finished and cut photographic paper only and as such investigations may be convened to exports of black and white photographic paper in their finished and ready to use form only for which there exists a domestic industry.
2. There is no product similar to photographic paper in jumbo rolls being manufactured and sold in India and there is no domestic industry for this product.
3. Jumbo rolls, finished and ready to use papers are functionally not interchangeable.

M/s kentmere has made the following submissions:-

1. The exports from M/s Kentmere were in parent rolls/ jumbo rolls which is not at all comparable with the product being sold by M/s NII which is ready to use form whereas the export product of M/s Kentmere is an industrial material. The two products are not commercially or functionally interchangeable by virtue of the difference in size, category etc.

M/s Aqfa-Gevaert S.A. has made the following submissions:

We do not export the product which is the subject matter of the complainant namely, black and white photographic paper manufactured by the complainants. We do not supply finished black and white photographic paper in the Indian market. The product supplied by us is master roils of black and white photographic paper to our clients who then process the same and make it black and white photographic paper in India,

d) ON DUMPING

M/s Forte Films and Payers has made the following submissions:-

1. Forte factory is the manufacturer of the product in question and exports to India and to other countries are managed by Chemoforte Trading Ltd., the sole exporter of Forte products on commission basis.
2. Estimation of Normal value as drawn up by the parties who filed the petition cannot be accepted. In view of the fact that standard of living in Hungary is considerably low with both low purchasing power and prices normal value as compared to other EU companies should be taken at 47% mark as stipulated in petition.

3. Sales prices in India are lower than the others which is on account of benefit of the large scale of production. For local sales we give discounts and also there are different packing costs between the Indian and Hungarian product.
4. For fibre based papers, the cost for low prices was due to the fact that we had to clear the high stock of raw material and also for the RC papers we had a great stock of raw material and due to the amendments to the Hungarian Acts in 95, consignment stores had to be terminated so we took possession of raw material stocks which considerably exceeded our market possibilities. Urgent need was there to repay different loans to our bank and these financial reasons forced us to clear these stocks rapidly.
5. Considering the fact that the profitability of our sales on the Indian market was substantially lower on other markets we were compelled to initiate further price increase from 1.7.99.
6. The cost of packaging, special commission in local market and publicity expenses burden the final costs.

M/s Ilford had made the following submissions:

1. M/s Ilford is manufacturing two different products viz. Black and White photographic paper in jumbo rolls and in cut and finished form. M/s Ilford does not sell jumbo rolls in the domestic market. There are third country exports, of jumbo rolls. The prices of the third country exports are marginally higher than the export price to India. This difference is on account of the fact that 50% of the total production of jumbo rolls by M/s Ilford is to M/s Techno Foto as a result M/s Ilford offers quantity discounts to M/s Techno Photo on their purchases. The third country exports of jumbo rolls conclusively proves that there is no difference between the export price and normal value for photographic paper in jumbo rolls. The charge of alleged dumping is therefore, totally without any basis.
2. Our costing, adequately shows that we are exporting our products after earning appropriate profits. Our exports are not below the costs and the charge of dumping is totally un-substantiated.
3. We are selling black and white photographic paper with our brand name as well as the private label brand name of our customer. M/s Ilford has a very good reputation in the international market and is an established exporter since more than 60 years. M/s Ilford spends considerable sums on promotion of its brand name so as to increase the marketability of the production as a result Ilford brand name commands a much higher price in the market as compared to the paper, with the brand name of the customer. It is, therefore, not possible to compare the price of the Ilford brand production with the price of the private label production.

4. Ilford sells both Ilford brand paper and private label paper in the domestic market. The same is the position in respect of third country exports.
5. Whether normal value in respect of cut and finished paper is determined on the basis of domestic price or third country exports there would be no margin of dumping.
6. The export price of Ilford compared with the export figures of M/s NII taken on a FOB basis. It is, therefore, seen that there is no suppression of prices and that Ilford exports are at competitive prices.
7. M/s Ilford does not follow product marketing policy and its policy is competitive and based on marketing conditions. This is amply demonstrated from the data given in the Questionnaire.

M/s Kentmere has made the following submissions:-

1. M/s Kentmere has made exports to India after negotiation with the Indian party at a price which indicate adequate profit for M/s Kentmere. The exports are not at prices which have been artificially lowered for the Indian market.
2. There are no domestic sales and third country exports for this product.
3. The market share of M/s Kentmere of a single consignment of 5351/sqmtrs is less than even 0.5% which cannot have any impact on an Indian producer. Under the GATT Agreement it has been provided that exports from country are below 3% of the total dumped exports then the initiation is required to be terminated by virtue of the de minimus principle. The de minimus principle is based on the idea that if the volume of exports is so low dumping cannot arise. This applies to the exports made by M/s Kentmere also.

M/s Agfa-Gevaert S.A. has made the following submissions:

1. Since we do not offer any like product directly in Indian market, we have not caused any injury to the domestic industry. No anti dumping duty would be leviable on master rolls of black and white photographic paper exported by us.

3) ON INJURY

M/s Ilford has made the following submissions:-

1. Under the GATT Agreement, the authority should determine when the injury is material or not and whether there is significant price under-cutting by the dumped imports.
2. The quantum of exports to India from Ilford have declined from 5.17 lakh Sq in 1997 to 3.87 lakh Sqr in 1999. The export price of M/s Iford have remained

stagnant in respect of private label and have risen by 56% in case of jumbo rolls.

3. No injury has been caused to the complainant since the landed cost of export goods is higher than the sale price of the complainant.
4. Sales of the complainant have increased by about 20% during the investigation period and, therefore, the claim to alleged injury is not worn out:
5. It is not appropriate to compare the data for the complainant for the year 98-99 with the previous financial year 97-98 since in the year 97-98 market size increased due to official documentation in the Indian government. For a realistic comparison data as given for 96-97 should be compared for investigation period.
6. M/s NII is not suffering on account of imports by M/s APIL since the imports by M/s APIL have reduced' and further M/s NII has alleged M/s APIL sold the imported goods under its brand name.
7. The complaint have-hot filed any evidence of injury during the period from Jan. to June, 1999.
8. As regards, M/s HPF, the company is suffering for since many years due to financial and managerial irregularities.
9. The injury to M/s HPF is not on account of imports but on account of poor business practices. The financial position of M/s HPF is due to poor strategic investment into medical X-ray photographic film and they ran out of cash in 1994. IN fact, M/s HPF has increased a market share of around 25%, which is substantial. There can be no case of injury in such circumstances.
10. The complainant has stated that the size of Indian market is around 20 lakh sqr per annum. The sales of domestic producers is around 14 lakh sqr which constitutes 70% of the market size.
11. The complainants are therefore, dumping these supplies in the Indian market and import have not affected these producers in any way.
12. The complainant has requested for a cumulative analysis of injury. Under Article 3.3 of GATT Agreement cumulative evaluation is appropriate in situations where exporting companies display similar market behavior. The market behavior of M/s Ilford is very distinct and different from that of other exporting countries. Therefore, cumulative assessment of injury is not warranted in the present case.
13. The complainant has made huge investments for creating a production capacity of around 6.5 million sqr mtr which is unrealistic for a sunset industry where demand is gradually decreasing and stagnant.
14. Complainant have themselves estimated the Indian market size to be of around 2 million sqr mtr and, therefore, production capacity of 6.5 million sqr mtr. is based on an incorrect reading of the Indian market due to which the

complainants are always under utilised raising their per unit costs and unable to enjoy economy of scales leading to injury.

15. M/s HPF does not have a sale price since they are undertaking job work of raw material owned by their customers. They are not involved in sale transactions. M/s NII on the other hand, on account of its relationship with M/s APIL parts a large portion of its profits around 35% to APIL. The information, therefore, given by the complainant relating to sales, realization, profitability etc. should be disregarded.
16. The investigations cover 5 out of 9 manufacturers of black and white photographic paper in the world. Of the remaining 4, two are domestic producers and two have a minor share in the international market. The complainant is effectively trying to stop its competitors from selling their products in the Indian market. The imposition of duty would only facilitate exploitation of the local market by the complainants by driving out fair competition.
17. Income of the complainants has increased from Rs. 2047.93 lakhs to Rs. 3531.85 lakhs. The complainant in the previous year was incurring a loss of around Rs. 23 lakhs. As against this, the complainant has made profits of around Rs. 3.29 lakhs in the investigation period.
18. In paragraph 2.1 in the Annual Report of M/s APIL and of M/s NII 98-99, it has been stated that sales volume and turnover of Black and white photographic paper have improved. It is also stated that there was considerable pressure on account of imports as a consequence of reduced import duty on finished goods. The effect of reduction of duties cannot be contributed to dumping. From page 30 of the Annual Report it is seen that the export prices of M/s NII comes of Rs. 80.86/sqrmtr which is comparable with the export of M/s Ilford.
19. From page 21, the inventories of finished product have declined from Rs. 60 lakhs to Rs. 36 lakhs indicating that there is no piling up of inventories.
20. On page 20, it is not that the petitioners have a share value, of Rs. 2047630 (Fifteen thousand fifty equity shares) in M/s APIL indicating- that M/s NII and M/s APIL are related
21. From the annual Report, M/s Ilford has constructed the cost and have indicated that the complainant is earning a profit of Ps. 30 to 35/sqr mtrs and whereas the sale price to M/s APIL is Rs. 171/sqmtr whereas the price to the ultimate customer is eventually Rs. 257/sqmtr. The difference between the costs and the sale price to the customer indicates that the complainant is operating with huge profits.
22. It can be seen from the Annual Report of M/s APIL that they incur Rs. 19 lakhs on publicity and sales promotion. The service charges to C&F agents are only around Rs. 37 lakhs. These expenses cannot justify a huge margin which has been given by M/s NII to M/s APIL.

f) OTHER ARGUMENTS

M/s Ilford has made the following submissions:-

1. M/s Ilford is aggrieved by the initiation of investigation for the second time. In the earlier proceedings M/s Ilford had fully cooperated and provided the complete information and the ground of withdrawal of the earlier complaint was that the complainant wished to include Hungary and Czech Republic in the scope of investigations. The authority should not permit manufacturers to take the proceedings lightly since it involves considerable time and money.

3. IMPORTER'S AND USER ASSOCIATION'S VIEWS

a) ON PRODUCT UNDER CONSIDERATION AND LIKE ARTICLE

M/s Techno Foto has made the following submissions

1. M/s HPF does not manufacture resin coated paper and its operations are confined to fibre coated paper. The two products are different as they are manufactured from different type of base paper and the techniques of cutting and uses are also different. In terms of usage resin coated paper has the advantage that it has quicker drying and no glazing is required. M/s HPF is, therefore, not the domestic industry as far as resin coated papers are concerned.

Delhi Professional Photographers Association has made the following submissions

1. M/s NII manufactures four grades of black and white photographic paper. Though the cost price of all the grades are same, two grades have higher selling price since their competitors do not produce these two grades. This shows the intention of the complainant company and their motive behind the move.
2. The complainant company is in fact exporting their products and similarly importing the same 'from M/s Ilford under their own brand name. What is the logic of the complainant company behind this and what our country is achieving in regard to the foreign exchange?

b) ON DOMESTIC INDUSTRY

M/s Techno Foto Pvt. Ltd. has made the following submissions :-

1. M/s NII and M/s APIL are related on account of commonality of management, share holding of M/s NII in M/s APIL, extra commercial relationships between

M/s NII and M/s APIL and use of the brand name of M/s NII by M/s APIL on its imported product.

2. From the balance sheet of M/s APIL it can be seen that no payments have been made by M/ NII for use of its trademark and, therefore, the two companies have common interests and hidden relationship.

Delhi Professional Photographers Association has made the following submissions

1. M/s NII and M/s APIL are co-related companies having family holdings since 1961.
2. M/s NII have been giving high margins of about 40% to M/s APIL.

c) ON LIKE ARTICLE

M/s Techno Foto has made the following submissions

1. The Black and White resin coated Photographic paper in jumbo rolls is are raw material which cannot be compared with the complainant finished product. The jumbo rolls require further process of sheeting and packing before it can be converted to ready to use form of photographic paper and, therefore, the two products cannot be compared for the purpose of anti-dumping investigations. If a view is taken that both jumbo rolls and finished products are products under investigation then we should also form, part of the domestic industry as we are also manufacturers of finished photographic paper.

d) ON DUMPING

M/s Techno Foto has made the following submissions:-

1. The exporters viz: M/s Ilford are selling branded products in their domestic markets whereas exports to India are un-branded. The prices in the domestic market on account of value of brand name and expenses incurred will, therefore be different.
2. The export price of the complainant are same to the price at which M/s Ilford has exported to India. There is, therefore, no case on the issue related to dumping.
3. The present complaint has been made to create monopolistic conditions for the complainant and M/s APIL who would be in a position to hike prices of this product.

e) ON INJURY

M/s Techno Foto has made the following submissions :-

1. Our selling price of final product after converting jumbo rolls to finished product compares with the selling price of M/s NII and, therefore, there is no injury caused to the complainant.
2. The injury to M/s HPF which had been closed down for about 6 years before the POI is due to mis-management, excess number of employees and declining demand for black and white photographic paper.
3. The complainant was forced to reduce the prices on account of reduction in rates of customs duty.
4. M/s NII is charging Rs. 44.86 as coating and finishing charges including confectioning when doing work on job work basis for M/s Shanky Films. After adding the cost of base paper and miscellaneous paper, the complainant's cost of production would come to a maximum of Rs. 80.9 per packet of 25 sheets of standard dimensions. M/s NII is selling at Rs. 140 thereby earning a profit of Rs. 29. The sales of domestic producers taken as a whole has increased during the POI. The quantum of exports have declined and the export prices have increased and no injury has been caused to the complainant.
5. The levy of anti-dumping duty will effectively debar industries such as M/s Techno Foto Pvt. Ltd. and others who are engaged in the confectioning of black and white photographic paper jumbo rolls.

f) OTHER ARGUMENTS

M/s Techno Foto pvt. Ltd has made the following submissions:-

1. The subject goods is a low cost item for use for common man and imposition of duty would ultimately result in increase in price of the product which is not in national interest:
2. There are state and national level organisations and federations of All India Photographers trade. The complainant is aware of the organisations but has not mentioned their names as it wishes to prevent them from presenting their views before you.

M/s Jindal Photo has made the following submissions:-

1. The levy of anti-dumping duty would create monopolistic condition for the domestic manufacturers which would be detrimental to the interests of the consumers.
2. The levy of anti-dumping duty would be against the spirit of liberalisation and globalisation of Indian economy. The quality of the product manufactured by

the indigenous producers is not upto the mark and by levy of duty their inefficiency and poor quality product of their product will be rewarded.

Delhi Professional Photographers Association has made the following submissions :-

1. The statement by the complainant that there is no organisation of users of photographic products is totally lie and highly objectionable and hence the complainant are liable for stern action.
2. The earlier petition of the complainant was withdrawn 'because it was strongly opposed by our Association and the standing that they would not be able to succeed in the matter.
3. The fresh complaint is old wine in new bottle. M/s HPF is a sick unit historically and it has become bankrupt.
4. The complainant companies have malafide intentions and ulterior motive to grab 100% monopoly.

C. EXAMINATION BY AUTHORITY

The foregoing submissions made by the exporters, the importers, the petitioner and other interested parties, to the extent these are relevant as per Rules and to the extent these have a bearing upon the case, have been examined and considered and have been dealt with at appropriate places in these findings.

1. PRODUCT UNDER CONSIDERATION

The product under consideration in the present investigation is black and white photographic paper including both resin coated and fibre coated papers in all forms viz. cut sheets and jumbo roll (also called master rolls) (hereinafter referred to as subject goods). The product is classified under custom headings 3703.10 and 3703.90 of the Customs Act, 1975.

2. LIKE ARTICLE

The Authority notes that it has been argued by many interested parties that the imports of the subject goods are taking place in the form of jumbo rolls which is to undergo further processing and packaging for arriving at the end product i.e. cut sheets. The process involving such a transformation is also a manufacturing activity which includes value addition and this has been recognized by the Central Board of Excise and Customs (CBEC) as a manufacturing activity. Further it has been argued that the domestic industry excluding NII which is related to M/s APIL, has not produced RC grade photographic paper in the Period of Investigation and has restricted its activities only to fibre base photographic paper. It has been mentioned that as far as jumbo rolls

is concerned there is no domestic industry and that this product is entirely different from the product manufactured and sold by the domestic industry and, therefore, the investigations should exclude jumbo rolls and be restricted to only cut sheets of fibre base type. The various end-uses and advantages of RC type black and white photographic paper over the fibre base photographic paper in the form of less development time, convenience, less cost and new technology have been illustrated.

The authority for the purpose of examination of the like article has considered physical characteristics, manufacturing process and technology, functions and uses, product specifications, pricing, distribution and marketing and tariff classification of the goods. The authority notices that despite the fact that domestic industry does not sell jumbo - rolls in the domestic market, the product jumbo rolls is essentially a form of photographic paper. The further processing required to convert photopaper in rolls form to c.g. sheet which is essentially cutting and packaging is not a significant manufacturing value addition activity and does not change the composition or the type of product. Further the authority notices that the core of the manufacturing for the photographic paper industry is the coating technology which is there in both imported jumbo rolls and cut sheets. However, to the extent value addition takes place in converting jumbo rolls to cut sheet, the authority for the purpose of injury determination and normal value proposes to take this aspect into account and compare at appropriate levels.

The authority notes that many interested parties have produced articles highlighting the advantages of RC type photographic paper V/s the fibre coated (Baryta type paper). The authority notes that it has been indicated that RC type paper is a newer technology requires less of developmental time, is cheaper and is also used as a convenience material by professional photographers, in application like Identity Cards, Passport photo cards. It has been indicated that the fibre coated paper i.e. Baryta type is an old technology in which the processing and developmental time is much higher, costs are high and is used by professional artists for a different use.

The Authority notes that there are definitive advantages of RC type paper over the fibre based, Baryta type paper. However, the authority also notes that it has been indicated in the article produced that there has been a shift in the commercial usage of the product under consideration from fibre based to RC based. The authority also further notes that in one of the articles, it has been indicated that the choice of the product is essentially a personal preference. Further, it is noticed that the price variation in the two types of the products is not very wide and that the custom tariff classification is also the same for the two types of the product. The fact that over the years one product has substituted the other product in usage and that the choice still remains a personal preference establishes that there exists substitutability of the two types RC and fibre based photographic paper are, therefore, like article within the

meaning of the rule 2(d). The authority, therefore, considers the products exported by the subject countries i.e. UK, France and Hungary and those manufactured by the domestic industry as Like Article within the meaning of the rule 2(d).

3. DOMESTIC INDUSTRY

The Authority notes that M/s Allied Photographics India Ltd. (APIL) is the distributor for M/s NII and is also an importer of the subject goods. The authority on the basis of the information and evidence provided by various interested parties on linkage between M/s NII and M/s APIL on account of common management viz. Chairman of M/s NII being a Director in M/s APIL, commonality of brand name i.e. Sterling, share holding pattern of M/s NII and M/s APIL and the transactions between M/s NII and M/s APIL being governed by extra commercial relationship and not being at arms length, considers it appropriate to exclude it from the scope of domestic industry. The other producer M/s HPF in the event of exclusion of M/s NII represents the domestic industry in totality. The petition is, therefore, maintainable and satisfies the requirement for the domestic industry as per rule 5(3)(a)(b) and is domestic industry within the meaning of the rules 2 (b).

4. NORMAL VALUE & EXPORT PRICE

Under Section 9A(1)(c), normal value in relation to an article means:

- i. the comparable price, in the ordinary course of trade, for the like article when meant for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6); or
- ii. when there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either:-
 - a. comparable representative price of the. like article when exported from the exporting country or territory or an appropriate third country as determined in accordance with the rules made under sub-section (6); or
 - b. the cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and general costs, and for profits, as determined in accordance with the rules made under sub-section(6);

Provided that in the case of import of the article from a country other than the country of origin and where the article has been- merely transshipped through the country of export or such article is not produced in the country of export or there is no

comparable price in the country of export, the normal value shall- be determined with reference to its price in the country of origin.

The exporter-wise normal value and export price determination is illustrated below.

HUNGARY

M/s Forte Photochemical PLC.. Vac

It has been mentioned by M/s Forte Photochemical PLC., Vac that normal value for Hungary cannot be equated with that of UK and France in view of GDP and per capita income differences.

The authority notes that details of domestic and export sales have been provided for the POI by the exporter and has, therefore evaluated normal value and export price as detailed below. The authority also notes that the submission by the exporter indicated that they were clearing stocks which implicitly implies a distress export sale which has led to dumping as illustrated in the following paras.

Normal value

The exporter has provided details of domestic sales for the RC based forte speed photo paper for the POI. The exporter has claimed adjustment on VAT to an extent of ,***% of the list price which has been allowed for the purpose of preliminary determination pending further investigation. No other adjustments have been claimed by the exporter.

For the fibre base grade photo paper, there are no domestic sales and as well as third country exports other than India. The authority has considered the weighted average normal value for both the grades viz. RC type and fibre base which in this case is the normal value for the RC type only in view of no domestic sales and third country exports of fibre type other than to India. The weighted average normal value comes to ***\$/Mtr.sq.

Export Price

M/s Forte Photochemical PLC., Vac has exported though M/s Chemofort Trading Ltd., Budapest. The exporter has submitted information regarding export of Bromofort BS-4, BSP-4, the fibre base grades, double weight photo paper in special bulk packaging of 500 sheets per box of 18 X 24 CM size and Fortespeed grade, the resin coated RC photo paper in special bulk packaging of 500 sheets per box of 18 X 24 CM size separately during the POI. The exporter has claimed adjustments on

packing, inland freight, ocean freight and commission to an extent of ***, *** *** & ***\$/mtrsq. The authority has allowed these adjustments for the purpose of preliminary determination pending further investigation. The authority has also allowed adjustment on ocean insurance to an extent of ***\$/mtrsq. The weighted average export price for the two grades comes to ***\$/mtrsq.

United Kingdom

M/s Ilford Imaging Ltd.

The exporter has mentioned that separate comparisons be done for jumbo rolls, cut sheets (Ilford brand and private label), since the branded product is sold at higher prices. The authority notices that difference on account of brand name have not been quantified and further that both private label and Ilford brand are exported to India and also to other third countries. The authority, therefore, has considered evaluation of jumbo rolls and cut sheets irrespective of brand name or private label separately, as detailed below.

Normal Value

The exporter has provided details of domestic sales of various forms/grades of RC and fibre based photopaper during the POI viz. in jumbo rolls, cut sheet form with private label and cut sheet for with Ilford brand. The exporter has indicated that they have sold Ilford brand fibre based photo paper, private label RC type, and Ilford brand RC type only in the domestic market. Fibre based private label are neither sold in domestic market nor exported to third country other than India. As regards, jumbo rolls, RC type and private label fibre type they have third country exports and no domestic sales. For fibre based jumbo rolls there are no domestic sales or exports to the third country. As the authority has already in the foregoing para on like article considered RC and fibre types as Like Article, the authority has calculated the weighted average normal value for jumbo rolls (including both RC and fibre base type) and finished product i.e. cut sheet photographic paper (private and Ilford brand for both RC and fibre type) separately as illustrated below.

Photographic paper in jumbo rolls

For the purpose of calculating normal value for jumbo rolls, the third country exports of RC type has been referenced as there are no domestic sales. The exporter has claimed adjustments on packing and inland freight to an extent of *** & ***\$/mtrsq which have been allowed for the purpose of preliminary determination pending further investigation. For the fibre type jumbo rolls the normal value of RC type has been referenced as there are no separate domestic sales or the third country exports

and the both RC and fibre based photographic paper are considered as the like article. The weighted average normal value for the jumbo rolls (both RC/fibre type) comes to ***/mtrsq.

Photopaper in finished form i.e. cut sheet form

The exporter has provided details of domestic sales for Ilford brand fibre based photo paper, Ilford brand RC type photo paper and private label RC type photo paper. For the private label fibre based photo paper the exporter has provided sales to third country other than India. The details with respect to private label for both RC and fibre type have been provided at ex-factory level whereas for the Ilford Brand for both RC and fibre type have been provided at the FOB level. The exporter has claimed adjustments on account of packing, inland freight and customer service/technical service to an extent of ***, ** & ***/mtrsq. The authority has allowed the same for the purposes of preliminary determination pending further investigation. The normal value for Ilford brand (both RC/fibre type) and private label RC type has been referenced on the basis of domestic sales with applicable adjustments as indicated above, while for the private label fibre type third country exports have been considered with the applicable adjustments as indicated above. The weighted average normal value for the finished product i.e. photographic paper including both RC and fibre based in cut sheet form comes to ***/mtrsq.

Export Price

The exporter has provided details on exports of jumbo rolls (both RC and fibre type), private label RC type and Ilford brand (both RC and fibre type). The export prices for the private label RC type are provided on ex-factory level while for the jumbo rolls and Ilford brand (both RC and fibre type) on the FOB level. The exporter has claimed adjustments on packing and inland freight to an extent of ** & ***/mtrsq for the private label resin coated RC type photo paper. The authority has allowed the above adjustments on both private label and Ilford brand photo paper exports for the purpose of preliminary determination pending further investigation. The adjustment on customer/technical support as allowed for domestic sale is also allowed on exports since these are general expenses and cannot be exclusively for domestic sales only. The weighted average ex-factory export price for the finished product i.e. photographic paper including both RC and fibre based comes to ***/mtrsq.

C) M/s Kentmere

Normal value

The exporter has indicated that they have exported pan cake rolls (single consignment) to India during the POI and have not sold this product in domestic market or exported to third. country other than India. The authority has, therefore, used the best available information and referenced the normal value as calculated for M/s Ilford in respect of jumbo rolls for the. exporter. The weighted average normal value comes to ***\$/mtrsq.

Export price

The exporter has provided CIF price for the single consignment exported during POI. The authority has claimed adjustments on ocean freight and ocean insurance to an extent of *** & ***\$/mtrsq respectively. The adjustments as indicated by the exporter have been allowed for the purposes of preliminary determination pending further investigation. The adjustments on packing and inland freight have been considered to an extent of *** & ***\$/mtrsq respectively on the basis of information on jumbo rolls exports as available from the data submitted by M/s Ilford. The weighted average ex-factory export prices comes to ***\$/mtrsq.

d) France

M/s Agfa Gevaert AG, Germany

Normal value

The exporter has provided details of sales of jumbo rolls RC type to users in Germany during the POI mentioning that the sales of their product is in India and Germany only. The authority has referenced the normal value on the basis of the sales made by the exporter to Germany. No adjustment have been claimed by the exporter. The weighted average normal value comes to ***\$/mtrsq.

Export Price

The exporter has provided details of FOB export sales to India during the POI. The authority has co-related the same with the response given by the importer of the said goods and the data provided by the petitioner. The authority has allowed adjustments on inland freight, and packaging to an extent of *** & ***\$/mtrsq. The weighted average export comes to ***\$/mtrsq.

5. DUMPING-Comparison of Normal Valued Export Price

The rules relating to comparison provides as follows:

While arriving at margin of dumping, the Designated Authority shall make a fair comparison between the export price and the normal value. The comparison shall be made at the same level of trade, normally at ex-works level, and in respect of sales made at as nearly possible the same time. Due allowance shall be made in each case, on its merits, for differences which affect price comparability, including differences in conditions and terms of sale, taxation, levels of trade, quantities, physical characteristics, and any other differences which are demonstrated to affect price comparability.

For the purpose of determination of dumping the comparison of normal value and export price at the ex-factory level as mentioned above has been made for jumbo rolls and cut sheets separately. For the Black and White Photographic Paper in cut sheets weighted average of RC and fibre based paper has been considered. For the other non-cooperative exporters, highest dumping margin as determined for the cooperating exporters has been referenced.

The dumping margin for exporters comes as under: _

Exporter Product (Black & . white Normal Export Dumping

photographic paper both resin value (NV) price(EP) margin

coated and fibre based in the as % of

following forms EP

UK

M/s Ilford Jumbo rolls ***** 35.75%

Imaging Ltd. cut sheets ***** 276.5%

M/s Kentmere

Photographic Jumbo rolls ***** 55.65%

Ltd

Any other Jumbo rolls/cut sheets ***** 276.5%

exporter

France

M/ s Agfa- Jumbo rolls ***** 22%

Gevaert A6

Any other Jumbo. rolls/cut sheets ***** 22%

Exporter

Hungary

M/s Forte Cut sheets ***** 219.4%

Photochemical

Co. Ltd.

Any other Jumbo rolls/cut sheets ***** 219.4%

exporter

6. INJURY AND CAUSAL LINK

Under Rule 11 supra, Annexure-II, when a finding of injury is arrived at, such finding shall involve determination of the injury to the domestic industry, " taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on domestic producers of such articles" In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree.

For the examination of the impact of the dumped imports on the domestic industry in India, we may consider such indices having a bearing on the state of the industry as production, capacity utilisation, sales quantum, stock, profitability, net sales realisation, the magnitude and margin of dumping, etc. in accordance with Annexure II(iv) of the rules supra.

The authority notices that the dumped subject goods have been in both cut sheet form and also in master rolls/jumbo rolls form. However, the domestic industry is supplying the subject goods in cut sheet form only and, therefore, the effect of these

dumped imports in the cut sheet market is appropriate for evaluation of injury. The Authority observes

- a. that the landed value of dumped imports i.e. black and white photographic paper both RC and fibre based in cut sheet form from Hungary have forced the domestic industry to sell at prices, which have led to net sales realisation below the non-injurious selling price (NIP) as determined for the domestic industry during the POI.
- b. The dumped exports of Black and White photographic paper in RC type jumbo rolls from France- by M/s Agfa Gevaert have been imported by M/s Jindal Photo Films Ltd. and have been processed by the importer and converted to cut sheets and delivered to the users in the domestic market at price net of taxes lower than the NIP thus leading to price undercutting and, consequential injury to the domestic industry.
- c. The exports by M/s Ilford Imaging Ltd. and M/s Kentmere Photographic Ltd. from UK of Black and White photographic paper in jumbo rolls form have been imported by M/s Techno Photo Pvt. Ltd. during the POI. These jumbo rolls have been further cut and processed and packed in the cut sheet form by the importer who the delivered these products at prices (net of taxes) to the end users at prices lower than the NIP thus leading to price undercutting and consequential injury to the domestic industry
- d. The landed value of .black and white photographic paper in cut sheet form exported by M/s Ilford Imaging Ltd. is lower than the NIP deticl for the domestic industry thereby leading to price under-cutting and a consequential injury to the domestic industry.

The authority observes that

- a. Imports of black and white photographic paper both resin coated /fibre based from the subject countries have increased in absolute terms and relative to total imports from 7.2 lakh sqmtr in 97-98 to 8.5 lakh sqmtr in 98-99 and to 10.63 lakh sq mtr in POI.
- b. Market share of UK, France and Hungary in total imports has changed from 34.2% in 97-98 to 40.4% in POI.
- c. The net sales realisation (NSR) as constructed on the basis of the conversion charges received in view of job orders performed by them by including the cost of raw base paper in the POI is noticed to be lower than the NIP leading to financial losses.
- d. The capacity utilisation of M/s HPF which has been to an order of 40 % since 1991 has dropped to 11-22% in 1997 - 98 and to 3.2% in 98-99.

CONCLUSION ON INJURY

The Authority. concludes that

- a. The imports of subject goods from the subject countries increased in absolute terms from 7.2 lakh sqmtr in 97-98 to 8.5 lakh sqmtr in 98-99 and to 10.63 lakh sqmtr in POI.
- b. Imports of Black and White Photographic paper both RC and Fibre based in cut sheet form from UK and France increased in absolute terms have suppressed the selling prices of the subject goods by the domestic industry.
- c. Imports of Black and white photographic paper both RC and fibre based in cut sheet form from Hungary though. declined in absolute terms have suppressed the selling prices of the subject goods by the domestic industry.
- d. NSA for domestic sales of M/s HPF including job orders has been below the NIP, leading to financial losses.
- e. The demand for the subject goods has remained around 21 lakhs sqmtr per annum since 96-97 till POI and has, therefore, not contributed to the injury due to decline in overall market. - The demand has been evaluated on the basis of known imports from subject countries, domestic sales of the domestic industry, and imports from other non-subject countries referenced at a level of 1 lakh sqm per annum as per information available from secondary source viz. informant (provided by the petitioner).
- f. The market share of M/s HPF has decreased from 11.71% in 97-98 to 6.8% in POI.
- g. These economic indicators collectively and cumulatively establish that domestic industry has suffered material injury.

7. INDIAN INDUSTRY'S INTEREST & OTHER ISSUES

It has been argued by interested parties that the levy of anti-dumping duties, the producers will create a monopolistic situation and that this will affect small professional photographers. The Authority holds that the purpose of anti-dumping duties, in general, is to eliminate dumping, which is causing injury to the domestic industry and to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country.

It is recognized that the imposition of anti-dumping duties might affect the price levels of the products manufactured using the subject goods and consequently might have some influence on relative competitiveness of these products. However, fair competition on the Indian market will not be reduced by the anti-dumping measures, particularly if the levy of the anti-dumping duty is restricted to an amount necessary to

redress the injury to the domestic industry. On the contrary, imposition of anti dumping measures would remove the unfair advantages gained by dumping practices, would prevent the decline of the domestic industry and help maintain availability of wider choice to the consumers of black and white photographic paper. Imposition of anti dumping measures would not restrict imports from the subject countries in any way, and therefore, would not affect the availability of the product to the consumers.

To ascertain the extent of Anti-dumping duty necessary to remove the injury to the domestic industry, the Authority has relied upon a non-injurious selling price (NIP) of Black and White photographic paper both resin/fibre based in India for the domestic industry, by considering the optimum cost of production for the domestic industry. The authority observes that M/s NII is related to M/s APIL and is excluded from the scope of domestic industry and that by virtue of M/s NII's relationship with M/s APIL, it may not be appropriate to look at injury parameters of M/s NII in an unbiased manner since sales of M/s NII to M/s APIL do not appear to be at arms length and has, therefore, looked at injury to M/s HPF on account of dumping. However, M/s NII is an interested party being a major domestic producer of the subject goods. Authority has, therefore, calculated NIP by referencing and normating the cost data furnished by M/s NII.

8. LANDED VALUE

The landed value has been determined separately for jumbo rolls and cut sheets after adding applicable level of custom duties except duties levied under Section 3, 3A, 8B, 9, 9A, one percent towards landing charges and two percent handling charges for the purposes of preliminary determination pending final investigation.

9. ASSESSMENT OF NON-COOPERATING EXPORTERS

For the non-cooperating exporters (indicated as other exporters category), the highest dumping margin as noticed for the cooperating exporters has been referenced. The lowest CIF as noticed for the cooperating exporters co-related with petitioner's data has been referenced for calculation of landed value.

D. CONCLUSIONS:

It is seen, after considering the foregoing, that:

- a. Black and white photographic paper originating in or exported from UK France and Hungary has been exported to India below normal value, resulting in dumping;
- b. The Indian industry has suffered material injury;

- c. The injury has been caused by the imports from the subject countries viz. Hungary, UK and -France.

It is considered necessary to impose anti dumping duty, provisionally, pending final determination, on all imports of Black and white photographic paper both jumbo rolls and cut sheet form originating in or exported from the subject countries viz. Hungary, UK and France.

It was considered to recommend the amount of anti-dumping duty equal to the margin of dumping or less which if levied would remove the injury to domestic industry. Landed value of the imports for individual exporters, for the purpose, were compared with the non-injurious selling price of the domestic industry, determined for the period of investigation. The comparison was made separately for jumbo rolls and cut sheets wherever the difference was less than the dumping margin, a duty lower than the dumping margin is recommended. Accordingly, it is proposed that provisional anti dumping duties as set out below be imposed, from the date of notification to be issued in this regard by the Central Government, on all imports of subject goods originating in or exported from Hungary, UK and France falling under Chapter 37, Customs sub-heading 3703.10 and 3703.90 of the Customs Tariff, pending final determination.

Sl.no. Product Name of the Product (Black & White Amount of duty

originating in exporter photographic paper both

(US\$/Thousand

or exported resin coated and fibre sq.m)

from based in the following

forms

1. UK M/s Ilford Jumbo rolls/cut sheets 390.7

Imaging Ltd.

M/s Kentmere Jumbo rolls/cut sheets 434

Photographic Ltd.

Any' other Jumbo rolls/Cut sheets 434

exporter

2. France M/s Agfa Jumbo rolls/cut sheets . 33.50

Gevaert AG

Any other Jumbo rolls/cut sheets 33.50
exporter

3. Hungary M/s Forte Cut sheets/Jumbo rolls 1698
Photochemical Co Ltd.
Any other Jumbo rolls/cut' sheets 1698
exporter

E. FURTHER PROCEDURE

The following procedure would be followed subsequent to notifying the preliminary findings:

- a. The Authority invites comments on these findings from all interested parties and the same would be considered in the final findings;
- b. Exporters, importers, petitioner and other interested parties known to be concerned are being addressed separately by the Authority, who may make known their views, within forty days from the date of the despatch of the letter. Any other interested party may also make known its views within forty days from the date of publication of these findings;
- c. The Authority would conduct verifications to the extent deemed necessary. No fresh evidence will be accepted at this stage;
- d. The Authority would provide opportunity to all interested parties for oral submissions, for which the date and time shall be communicated to all known interested parties separately;
- e. The Authority would disclose essential facts before announcing final-findings.

RATHI VINAY JHA...
Designated Authority