

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

NOTIFICATION

New Delhi, the 21st April 2005

Final Findings (Mid-term Review)

Subject: Anti-Dumping (Mid-Term Review) investigations concerning imports of Vitamin AD3 500/100 originating in or exported from European Union and Singapore.

No. 15/22/2004- 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 as amended (herein referred to as AD Rules) thereof:

A. PROCEDURE

1. The procedure described below has been followed:

- i. The Designated Authority (hereinafter also referred to as the Authority) notified final findings vide Notification No. 16/1/2001- DGAD dated 18/3/2002 recommending imposition of anti-dumping duties on all imports of Vitamin AD3 500/100 originating in or exported from EU and Singapore.
- ii. The Customs Tariff Act, 1975 (as amended) and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 made thereunder require the Authority to review from time to time, the need for the continued imposition of definitive anti dumping duty imposed by the Central Government. European Union(hereinafter also referred to as EU) vide letter dated 24th August, 2004 had requested for initiating a review of the recommendation made by the Authority vide Notification No. 16/1/2002- DGAD dated 18/3/2002 due to changed circumstances.
- iii. Having decided to review these final findings, the Authority initiated the present investigations vide Notification No. 15/22/2004-DGAD dated 5th

- January 2005 to review the need for continued imposition of anti dumping duty on Vitamin AD3500/100 from EU and Singapore (hereinafter referred to as subject countries) in accordance with the Customs Tariff Act,1975(as amended) and the Customs Tariff (Identification, Assessment and Collection of Anti Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995(hereinafter referred to as AD Rules). This review covers all aspects of Notification No. 16/1/2001- DGAD dated 18/3/2002.
- iv. The Designated Authority sent copy of the Initiation Notification to the embassies of the subject countries / territories, the exporters, importers and the domestic industry as per the list available in the original anti-dumping investigation and requested them to make their views known in writing within 40 days of the initiation of this review investigation. None of the interested parties filed their submissions to the initiation notification.
 - v. A request was made to the Director General Commercial Intelligence & Statistics (DGCI&S) to make available details of imports of subject goods.
 - vi. Copies of the initiation notification were also sent to FICCI, CII and ASSOCHAM for wider circulation.
 - vii. The Authority made available the public file to all interested parties containing non-confidential version submitted by interested parties for inspection.
 - viii. The Authority provided an opportunity to all interested parties to present their views verbally in the public hearing held on 23rd April, 2005. None of the interested parties attended the public hearing.
 - ix. There was no response to the initiation notification by any of the interested parties.
 - x. In accordance with Rule 16 supra, the essential facts/basis considered for these findings were disclosed on 7th April, 2005 to known interested parties and none of the interested parties made any comments on the disclosure of facts.
 - xi. Investigations were carried out for the period of investigation (POI) from 1st April 2003 to 31st March 2004 (12 months) for determination of dumping margin. However information were called for injury analysis for the years April 2000 – March 2001, April 2001 – March 2002, April 2002 – March 2003 and the period of investigation. None of the interested parties filed any information in this regard.

B. PRODUCT UNDER CONSIDERATION

2. The product involved in the original investigation and the current review is Vitamin AD3 500/100 falling under Chapter 23 and 29 of the First Schedule to the Customs Tariff Act, 1975, as amended. It is a light brown coloured fine granular powder. The individual particles contain Vitamin A acetate and Vitamin D3 microencapsulated in

gelatin and sucrose. This classification however, is indicative only and in no way binding on the scope of the present investigation.

C. LIKE ARTICLE

3. Vitamin AD3 500/100 is used in animal/poultry/prawn feed to provide required vitamin level for better nutrition. It is added to the poultry feed at the poultry feed mills, hatcheries and farms who make their own feed. The subject goods produced by domestic industry have been treated as like article to the product exported from subject countries in the original investigation and this review also within the meaning of Rule 2(d).

D. DOMESTIC INDUSTRY

4. In the original investigation the application for anti dumping investigation was filed by M/s Nicholas Piramal India Ltd., on behalf of domestic industry. They were the major producer of the subject goods in India and had the required standing to file the petition under AD Rules. In this mid-term review anti-dumping investigation none of the domestic producer of the subject goods filed the information / submissions to the initiation notification of the mid-term review of the anti-dumping duty.

E. METHODOLOGY FOR CALCULATION OF DUMPING MARGIN:

5. The Authority sent exporters questionnaire to the known exporters (provided by the petitioner in the original investigation) of subject goods for the purpose of determination of normal value in accordance with Section 9A (1) (c). None of the exporters responded to the Authority with information for determination of normal value to the initiation notification.

6. Neither the applicant nor any of the interested parties made any submission regarding the normal value. In the public hearing also none of the interested parties made any submission with regard to determination of dumping margin.

7. The Authority also sent importer's questionnaire to known importers (provided by the petitioner in the original investigation) of the subject goods. None of the importers responded to the Authority to the initiation notification. Accordingly it was held that importers of subject goods have also not cooperated and filed the required information.

8. The domestic industry did not file any response in the application pro-forma sent to them. Since none of the interested parties responded to the questionnaire, the Authority could not determine the normal value and subsequently dumping margin in the present mid-term review of anti-dumping duty.

F. INJURY AND CAUSAL LINK:

9. The petitioner has argued that the domestic producer M/s. Nicholas Piramal Ltd., has undergone a significant structural change since the original investigation. In April 2002 M/s. Nicholas Piramal has merged with another major pharmaceutical company i.e., M/s. Rhone Poulenc, India. The merger of this two companies made it possible to rationalise capacity utilization by closing down the number of production centres of the original company leading towards a new level of growth and profitability. The petitioner has submitted that the overall profit has increased by 65% in 2004 compared with 2003 although sales volume has increased marginally.

10. In absence of any response from interested parties, the Authority could not examine whether the imports of subject goods from subject countries have caused material injury to the domestic industry or likely to cause injury to domestic industry.

The Authority could not determine the non-injurious price for the domestic industry and also could not determine any injury due to imports during the period of investigation in absence of response from domestic industry.

G. FINAL FINDINGS:

11. From the above, the Authority has concluded that in absence of any response from any of the interested parties, the critical parameters such as dumping, material injury and the causal relationship between the two could not be established. In the absence of participation and cooperation from any of the interested parties, the Authority is constrained to conclude that cessation of anti-dumping duty on imports of subject goods from subject countries is not likely to lead to continuation or recurrence of injury to the domestic industry. Hence, the Authority proposes to recommend to discontinue the anti-dumping duty on imports of subject goods from subject countries imposed vide Notification No. 16/1/2001- DGAD dated 18/3/2002.

12. The Authority after considering the foregoing, concludes that:

- a. In view of the above, the Designated Authority considers it appropriate to recommend discontinuation of the anti-dumping duties recommended earlier vide Notification No. 16/1/2001- DGAD dated 18/3/2002 and imposed on all imports of Vitamin AD3 500/100 classified under chapter 23 and 29 of the

Customs Tariff Act, 1975 (as amended) originating in or exported from subject countries.

- b. An appeal against this order shall lie before the Customs, Excise and Service Tax Appellate Tribunal (CESTAT) in accordance with the Customs Tariff Act, 1975(as amended).

(Christy Fernandez)
Designated Authority