

MINISTRY OF COMMERCE AND INDUSTRY
(Department of Commerce)
(DIRECTORATE GENERAL OF ANTI-DUMPING &
ALLIED DUTIES)

NOTIFICATION

New Delhi. the 8th August. 2000

FINAL FINDINGS

Sub:- Anti Dumping investigation concerning imports of Vitamin-C from Russia and European Union(EU) - Final Findings.

26/1/99-DGAD - Having regard to the custom 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:

The procedure described below has been followed:

- i. The Designated Authority (hereinafter also referred to as the Authority) notified preliminary findings vide notification dated the 17th January, 2000 on anti-dumping investigation concerning imports of Vitamin-CI hereinafter also referred to as subject goods) from European Union(EU) and Russia(hereinafter referred to as subject countries) and requested interested parties to make their views known in writing within forty days from the date of its publication,
- ii. The Authority forwarded a copy of the preliminary findings to known interested parties, who were requested to furnish their views. if any, on the preliminary findings within forty days of the date of the letter,
- iii. The Authority also forwarded a copy of the preliminary findings to the Embassy of Russia and the Delegation of European Union (EU) in New Delhi with a request that the exporters and other interested parties may be advised to furnish their views on the preliminary findings in the time frame as stipulated in (i) and (ii) above,
- iv. The Authority provided opportunity to all interested parties to present their views orally. All parties presenting their views orally were requested to file written submissions of the views expressed orally. The parties were advised to collect copies of the views expressed by opposing parties and offer rebuttals, if

- any. The written submissions thus received from interested parties have been considered by Designated Authority in this finding.
- v. The Authority made available the public file to all interested parties containing non-confidential version of the evidence submitted by various interested parties, for inspection, upon request;
 - vi. Arguments raised by interested parties before announcing of preliminary findings, which have been brought out in the preliminary findings notified earlier have not been repeated herein for sake of brevity. However, the arguments raised by the interested parties after preliminary findings have been appropriately dealt in this findings.
 - vii. Verification of exporter's data was carried out by the Authority to the extent it was feasible. A team of Officers of the Directorate carried out verification of the data at the exporters premises VIZ. M/s. BASF Plant & Corporate Office at Denmark and Germany respectively.
 - viii. In accordance with Rule 16 of the Rules supra, the essential facts/basis considered for these findings were disclosed to the known interested parties on 21.07.2000 and comments received on the same have also been duly considered in these findings
 - ix. ***** in the Notification represents information furnished by interested parties on confidential basis and so considered by Authority under the Rule.

B. VIEWS OF PETITIONER, EXPORTERS, IMPORTERS AND OTHER INTERESTED PARTIES AND EXAMINATION BY AUTHORITY:

The petitioner, exporters and importers have expressed their views, and the same are briefly mentioned below. The arguments expressed by the exporters and importers, which are similar in nature, have not been repeated for sake of brevity.

(i) PETITIONERS' VIEWS:

1. As per decision of Hon'ble CEGAT recently the duty in a number of appeals have been modified in terms of US \$. The Designated Authority has also recommended duties in terms of US\$ in a few recommendations issued recently. It is, therefore, requested that the duties be recommended in terms of US\$ in the final determination.
2. Though there are a number of exporters in the subject countries, only two exporters responded: Even out of the limited response received by the Designated Authority, it was found at the time of the hearing that one of the exporters, M/s Merck did not participate in the oral hearing, which indicates lack of interest and cooperation It is requested that M/s Merck may not be

permitted to make any submissions in writing, as the opportunity for written submissions is only to those interested parties who appeared for the hearing and made submissions.

3. M/s BASF has provided details of sales in the home market as well as cost Of production. Information provided by the company shows that he company has sold Vitamin-C at loss in the home market. In fact, at the time of the oral hearing also, the representative of the exporter clearly admitted that they were incurring losses on their sales of Vitamin-C. The Designated Authority has determined normal value on the basis of cost of production of the company in the preliminary findings
4. After analysing the non-confidential submission of tire company especially he cost of production we found that M/s BASF has claimed abnormally low per unit cost on account of a number of item of costs, prominent among which are variable product cost, administration cost and interest cost It may be recalled that the representative of the company laid heavy emphasis on R&D at the time of the oral hearing. We are also aware that BASF incurs substantial expenditure on R&D. However, the cost of production claimed by the company does not seem to provide adequately or expenses on this account.
5. In view of the above and confidential nature of the information filed by the company, it is submitted that the information tiled by the company should scrutinised, in detail before arriving at final recommendations. The Designated Authority may kindly verify the various claims of the exporter before adopting the same for final determination.
6. M/s. Merck KgaA has neither provided transaction-wise details of the sales made in the home market nor provided details of the cost of production.

The information filed by the company is clearly insufficient to determine normal value of the company. It is requested that the company should be treated as non-cooperative and the Designated Authority may please construct cost of production of Merck based on the information provided bl. LIS with regard to costs incurred for production of Vitamin-C for the purpose of determination of normal value.

7. M/s BASF has provided details about their exports to India. The company has claimed adjustment from the export price on account of inland freight, overseas freight and packing. However, no adjustment has been disclosed on account of insurance and port expenses. It is submitted that the export price to be adjusted for the expenses on these accounts.
8. M/s Merck. KGaA has provided details about their exports to India. However, since the company has not fully cooperated, the export price in this case be determined on the basis of the practice being followed by the Designated Authority in case of non-cooperative exporters.

9. Attention is requested to Anti Dumping Rules, which provides that in case where imports of a product from more than one country are being simultaneously subjected to anti dumping investigations, the Designated Authority will cumulatively assess the effect of such imports. It is submitted that all the conditions under the rule are satisfied, in the present case. It would, therefore, be appropriate to assess injury to the domestic industry cumulatively from imports from the subject countries.

(ii) VIEWS OF EXPORTERS IMPORTERS AND OTHER INTERESTED PARTIES:

1. M/s. ASE Limited, Baroda, is the only petitioner acid sole producer of Vitamin-C but they do not have new, and sophisticated technology to produce Vitamin-C by fermentation process. All over the world manufacturers import the raw material Sorbitol from M/s Rouquette, France use locally manufactured Sorbitol, then do the fermentation after adding ingredients to produce 2-Keto Gluconic Acid which is a key intermediate from which the petitioner intends to manufacture Vitamin-C. By considering the said fact it is evident that the cost of production by major producers in the world is much lower than the petitioner's co.
2. If the Anti-Dumping Duty is imposed, the imports from European Union and Russia will be uneconomical and it would stop completely. There is Anti-Dumping Duty on Chinese and Japanese Vitamin-C for which the petitioner has filed review application to increase the same. So the contention of the petitioner is to prove that all the manufacturers in the world want to dump their Vitamin-C in India only, which sounds totally wrong and irrational.
3. The product under consideration must be broadened to include 2-Keto Gluconic Acid, as the said product is akin to Vitamin - C. It is also within the same ITC classification. M/s ASE are themselves large scale importers of the penultimate product i.e., 2-Keto Gluconic Acid, which is converted into Vitamin-C by a very simple method. There is a direct linkage between this intermediate product and the final product i.e. Vitamin-C in terms of technology, price and the production process. Vitamin-C is manufactured through an elaborate process of more than 16 stages. One of the stages for manufacture of Vitamin-C involves the production of 2-Keto Gluconic Acid. There is a direct correlation between the price of 2-Keto Gluconic Acid and Vitamin-C. - It is a well established principle for the Anti Dumping law that the petitioner who imports cannot seek protection of Anti-dumping.

Accordingly, either the petitioner should be debarred from taking protection of Anti-dumping or in the alternative be deemed 'Like Article to' Vitamin-C and Anti-Dumping to be imposed also on the Like Article.

4. We submit that no injury is being occasioned to the domestic industry by our imports. The total demand of the alleged product in India is more than 1200 tons, whereas the installed capacity of the complainant who is the only producer is only 430 tones, which itself justifies the monopolistic situation. The demand is likely to increase. Even if the complainant produces and sells at 100% of their installed capacity they- cannot meet the market requirement or demand and import has to take place to meet the demand of Vitamin-C in India. As the complainant/petitioner is unable to meet the domestic demand, it is unfair for it to restrict imports by seeking imposition of Anti-Dumping Duty.
5. Injury to the domestic industry if at all is self-inflicted. The Plant of the complainant is too small and is enviable with no economies of scale. Small installed capacity of the complainant, increases the cost of production of the alleged product and furthermore the complainant has never produced enough even to meet half of the domestic demand. It is the enviable plant size, which is causing injury to the domestic industry.
6. M/s Sarabhai have also failed to disclose that for their own captive consumption they have brought imported material on much lower cost, which also results in less off take from their own consumption resulting in loss of production.
7. The main reason for their loss of production and loss of sales is a monopoly situation they were having during earlier times due to restricted imports and bad business policies.
8. The prices internationally are more or less unchanged in the last three years by all major manufacturers and we wonder why the government has not considered the reason for Sarabhai's tremendous high prices that is 2-1/2 times higher than present international prices by all leading manufacturers.
9. The petitioners rely upon evidence of a manufacturer from Ireland for the purposes of establishing Normal Value in the EU. At the public hearing, the cooperating exporter from EU, went on record to confirm that there is no producer of Vitamin-C in Ireland. In view of this fact, it is submitted that the entire proceeding concerning the imposition of duty on imports emanating from EU should be void ab-initio.
10. The injury to the domestic industry is not due to the dumping but there are some other reasons for injury as process of manufacturing from the petitioner is outdated. The accepted process now starts from 2-Keto Gluconic acid, rather than the sorbitol. This reduces the steps required for the manufacture of Vitamin-C. The cost of production of the petitioner is also higher because of the cost of electricity etc..

In the petitioner's own admission, imports of Vitamin-C into India were highly restricted and the import duty was high. However, in the mid-90s when duties across

the board were reduced, and import restrictions were removed, imports started growing. Coupled with the reduction in import duties and dismantling of trade barriers, other manufacturers such as Jayant Vitamins and Jindal Drugs Limited either closed down or shelved their production. plans.

11. The Authority has erred in determining the normal value of BASF on the basis of cost of production, including administrative, selling, general expenses and interest, depreciation and an element of profit and discarding the sale price in the domestic market.

i. The Designated Authority has not verified the cost data submitted by BASF: The exporter has submitted that:

- The sale price in Germany is truly representative.
- If sale price in Germany was to be ignored for any reason, then sale price to other European Union countries should have been considered and in doing so it must be recognized that prices in Europe are determined by imports into Europe from China.

ii. Authorities for the purpose of determining normal value may disregard sales, if they are made at Unit price which are less than per unit cost, i.e. costs of production plus selling, general and administrative expenses (SG&A) and the following two conditions are both satisfied:

(a) Such sales are made at prices which do not provide for recovery of all cost-within a reasonable period of time; and

(b) Such sales occur in substantial quantities within an extended period of time.

(i) Assuming without admitting that it is correctly computed the sales alleged below cost of production were not -at prices which did not provide for recovery of all costs within reasonable period of time. BASF-AG has undertaken significant improvements in expansion of capacity and technology improvements, which will result in significant reduction of costs and increase in profitability and enable the company to recover full cost. This benefit is likely to accrue shortly. This fact which is mandatory has been overlooked by the Designated Authority in arriving at a conclusion to discard sale price in Germany or European Union.

C. EXAMINATION OF ISSUES RAISED:

The submission made by the exporters, importers, petitioner and other interested parties have been examined and issues raised with reference to the Rules and having a

bearing on this case have been considered and dealt with at appropriate places in the notification.

D. DISCLOSURE OF ESSENTIAL FACTS MADE BY THE AUTHORITY

The views raised in response to the disclosure statement are discussed in the relevant paras herein below to the extent these are relevant as per rules and have a bearing on the case.

a. Comments made by Petitioner

- i. The petitioner's claim that the duties are imposed on the product as described as "product under consideration" and can not be extended to "Like Article". The issue of like article is relevant in the context of standing and domestic industry and determination of normal value. The product under investigation remains the product dumped in the Indian market in the investigation period. It can not be extended to Like Article.
- ii. Regarding offer of price undertaking by M/s BASF to the Designated Authority, petitioner has submitted that no price undertaking be accepted by the Designated Authority from the exporter unless they are given a chance to comment on the offer made by the exporter.
- iii. The Designated Authority has recently completed review investigations for the same product for imports from Japan and China. The duties in that case have been recommended on variable basis. The petitioner requests the Designated Authority to recommend variable duties in this case also, so that the interests of the domestic industry are adequately protected and all the imports are at the same level.

b. Comments made by the importers

- i. The disclosure statement gives only the methodology of arriving at the final findings. No facts or analysis has been indicated in the disclosure statement.
- ii. With reference to the normal value determinations of the cooperating exporter from EU - M/s BASF, it is not clear whether the sales in the domestic market were below the cost of production for more than a reasonable period of time.

EXAMINATION OF COMMENTS ON DISCLOSURE OF ESSENTIAL FACTS BY THE AUTHORITY

The arguments raised by the interested parties have been examined, considered and, wherever appropriate, dealt in the relevant paras in this notification.

Regarding disclosure of essential facts, Authority has followed the consistent practice of the Directorate as per Rule 16 of Anti-Dumping rules.

E. PRODUCT UNDER CONSIDERATION:

The product considered in the present investigation is Vitamin-C originating in or exported from Russia and European Union (EU). Vitamin-C is classified under the Custom Sub heading 2936.27 of the Custom Tariff Act, 1975. The classification is, however, indicative only and in no way binding on the scope of the present investigation.

F. "DOMESTIC INDUSTRY" STANDING OF THE PETITIONER

The petition has been filed by M/s. Ambalal Sarabhai Enterprises Ltd. having its Registered Office at Wadi Wadi, Baroda-390007. The petitioner is the sole producer of the subject goods in India. The other company M/s. Jayant Vitamin Ltd. that had created capacities for manufacturing. Vitamin-C in India has since closed its operations. Therefore, the petitioner accounts for total production of the subject goods in India and fulfils the requisite criteria to represent the domestic industry, as required under the Rules.

As to the standing of the petitioner, an argument has been raised that the petitioner are disqualified to form part of the domestic industry as they are an importer of 2KGA which is the final stage material for Vitamin-C and, therefore, is a Like Article to Vitamin-C. However, the Authority finds that the products 2 KGA and Vitamin-C are not commercially and technically substitutable and the former is only an intermediate product for manufacturing of the latter. Therefore, 2 KGA imported by the petitioner is not considered as a Like article to Vitamin-C. The Authority holds that the imports of 2 KGA by the petitioner does not, therefore, lead to the definition of M/s Ambalal Sarabhai Enterprises Ltd. as importer of Vitamin-C and does not exclude them from the scope of domestic industry under the Rule.

G. LIKE ARTICLES:

In the preliminary determination the Authority held that the Vitamin-C produced and sold by domestic industry and those imported from the subject countries have similar characteristics and should be treated as Like Articles. The Authority also determined

that there is no significant difference in the technology adopted by petitioner and by the producers in these countries even though every manufacturer fine-tunes production process according to available facilities and necessities.

Issues raised by some of the interested parties to treat 2KGA as Like Article of Vitamin-C. The Authority has already clarified above in para S that 2 KGA is an intermediate product for manufacturing of Vitamin-C, hence can't be treated as Like Article.

In view of the same, the Authority confirms that Vitamin-C produced by domestic industry and those being imported from Subject countries are Like Articles within the meaning of relevant rules.

H. NORMAL VALUE, EXPORT PRICE AND DUMPING MARGIN-EU

The Authority has examined Normal Value in relation to an article as per the Rules in Section 9A(1)(c). Only M/s. BASF and M/s Merck KGaA filed the response in the case from Germany. The assessment of normal value; export price and dumping margin is as under:-

I. M/S. BASF, GERMANY

Normal Value:

- a. The claims made by the exporters with regard to domestic sales of subject goods during the period of investigation along with cost of production of subject goods in the domestic market, has been verified by the Authority. It is noted that sales are made at prices which do not provide for recovery of all cost within a reasonable period of time and such sales occur in substantial quantities. The exporter has also admitted that the company has sold Vitamin-C in domestic market at a loss i.e. below their cost of production.
- b. In view of the above, the Authority considers it appropriate to determine normal value on the basis of cost of production, including administrative, selling, general expenses and reasonable profit margin. Since the normal value is based on cost of production including selling, general, administrative expenses and reasonable profit margins, the Authority has not considered any other adjustments.
- c. Argument raised by M/s BASF and importers regarding normal value assessment on the basis of selling price of Irish Producer, it is clarified that Authority has relied upon this data as prima facie evidence for initiation of the

case, accepting the argument that Germany and UK are the part of European, Union and having common custom territory, the prices in the whole of the European Union are bound to be the same. Since subsequently some of exporters have responded, Authority has derived its findings on the basis of information supplied by the exporters.

- d. Regarding significant improvements in expansion of capacity and technology improvements resulting significant cost reduction after period of investigation, the Authority has carried out the investigation in accordance with the Anti-dumping Rules in the instant case and clarifies that the information pertaining only to the Period of Investigation is relevant for the case.

Export Price:

The exporter, M/s BASF, furnished transaction-wise details of export of subject goods to India during the Period of Investigation. After verification, weighted average CIF export price is considered for assessment of export price in case of M/s BASF. The adjustments claimed by the exporter with regard to overseas freight, Inland freight, handling charges and Packing in export sales has been verified by the Authority and considered to be allowed arriving export price at ex-factory level.

DUMPING MARGIN IN RESPECT OF NON-COOPERATIVE EXPORTERS

2. M/S MERCK KzaA, GERMANY

Normal Value

M/s Merck KgaA has neither furnished the transaction wise details of its domestic sales nor have they furnished the cost of production of Vitamin-C. The exporter neither responded to further queries sought by Designated Authority in this regard nor participated in the public hearing/ submitted any written submissions after preliminary findings.

In light of above, the Authority has treated M/s Merck KgaA as Non-co-operative exporter. Therefore, the Authority has determined normal value in respect of M/s Merck KgaA based on the best information available.

Export Price: .

The exporter M/s Merck KgaA furnished transaction-wise details of export of subject goods to India during the POI. The weighted average CIF export price is proposed to be considered in assessment of export price. The exporter has not disclosed any

adjustments from the CIF export price- The Authority has, therefore, determined the export price on the basis of Rule'6(8), i.e., best information available.

3. OTHER EXPORTERS

The Authority observes that the quantum of exports from European Union are higher than the quantum of exports as reported by M/s. BASF and M/s Merck KgaA together. Therefore, with regard to other exporters from EU, the Authority finds it appropriate to consider the dumping margin as determined in respect of M/s Merck KgaA.

J NORMAL VALUE, EXPORT PRICE & DUMPING MARGIN

RUSSIA:

- a. The Authority provided opportunity to the exporters from Russia to furnish information relevant to the investigations and offer comments, if any, in accordance with the Rule. The Authority also wrote to the Embassy of Russia in India. However, none of the exporters from the subject country has - responded to the Authority's request for information.
- b. The claim made by the petitioner with regard to the determination of normal value has also not been disputed by any interested party lies). The Authority has, therefore, proceeded on the basis of Rule 6(8), i.e., best information available.
- c. The normal value was determined at the time of initiation .of the investigations on the basis of the constructed cost of production of Vitamin-C in Russia as provided by the petitioner. The Authority has considered the same as the basis for determination of the Normal Value after appropriate adjustments.
- d. The export price has been determined on the basis of the information compiled by the DGC1&S, Calcutta. The weighted average export price has been adjusted for commission, insurance, inland freight, overseas freight, packing & handling charges as claimed by petitioner.

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."

Based on the Normal Value and the Export Price, as determined above, the dumping margin in respect of individual exporters and the specific countries, is as under: -

S.No.	Country/Exporter	Dumping Margin %
1.	EU 1. M/s. BASF, Germany (subject goods originated from M/s. BASF Health & Nutrition, Denmark. 2. Other Exporters	49.20 134.73
2.	Russia All Exporters	122.82%

K. INJURY CASUAL LINK :

1. 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.
2. For the examination of the impact of the imports on the domestic industry in India, the Authority considered 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.
3. The authority has also examined factors other than dumped imports viz. uneconomical plant size, inefficiencies, mismanagement, or any other factors etc. as cited which might be injuring the domestic industry at the same time.

The non-injurious price for the domestic industry has been determined by making appropriate analysis of all relevant factors like usage of raw material, usage of utilities, captive consumption, etc. and the actual expenses during the period of investigations including the investments and capacity utilization. The non-injurious price of domestic industry has been determined by considering the optimum cost of production and considering. The reasonable return on the capital employed by the domestic industry.

L. CONCLUSION ON INJURY

1. **The Authority concludes that**

(a) Production & Capacity utilisation: -

The production of the petitioner company has decreased from 468.961 MT in 1996-97 to 303.713 MT in 1997-98 further decline to 283.842 MT in the period of investigation as against the total demand of about 1200 MT.

The company achieved capacity utilisation of 109% during financial year 1996-97 decreased to 71% during the financial year 1997-98, which further decreased to 66% during the period of investigation on an annualised basis.

(b) Sales Quantity: -

The sales of the petitioner company decline from 413.694 MT during 1996-97 to 269.457 MT during 1997-98 further decline to 234.792 tons during the financial year 1998-99 .

(c) Sales Realisation: -

The average sales realisation of the petitioner company during 1996-97 was Rs. * * * */Kg marginally increase to Rs* * */ Kg during 1997-98. There was a sharp decline in the sales realisation during the period of investigation and the same was at Rs. * * * */Kg.. Moreover, the sales realisation of the Petitioner Company during the period was below its cost of production.

(d) Profitability:

During the financial year ending 31st March, 1997, the losses of the company from the Vitamin-C operation was Rs.64.75 lacs increased to Rs 530.13 lacs at financial year ending 31st March 1998. The losses further increased to Rs.573.50 lacs during the year 1998-99.

(e) Increase in Imports from Subject Countries

Imports from EU has increase from 42.8 MT during 1996-97 to 114.53 MT in 1997-98 marginally decline to 107.581 MT during 1998-99.

Imports from Russia was 30 MT during period of investigation as compare to nil during previous years.

(f) Decline in Import price from Subject Countries

Import price from EU was US\$ 3.66/Kg CIF during 1996-97 , decline to US\$ 2.66/Kg CIF during 1997-98 marginally increase to US\$ 2.78/Kg CIF during 1998-99. Imports

price from Russia was US\$ 2.61/Kg CIF during period of investigation. Authority has observed that because of such a low priced imports domestic industry was not in a position to recover the DPCO price.

(g) Closing Stock

Closing stock of the petitioner was 1.862MT during 1996-97 increased to 4.345 MT during 1997-98 come down to 3.95 MT during period of investigation .

(h) Employment

The petitioner has reduced its staff strength from 482 during 1996-97 to 311 in period of investigation to reduce the losses to some extent.

2. The Authority, therefore, notes from the above that the imports from the subject countries have been at a price below the selling prices of the domestic industry. Further, the imports into India have been at a price lower than the non-injurious price for the domestic industry. As a consequence thereof the petitioner was forced to sell its product at a price significantly below its non-injurious price resulting in financial losses to the petitioner. The petitioner was also prevented from increasing the level of capacity utilisation.

These parameters collectively and cumulatively indicate that the petitioner has suffered material injury due to the dumped imports.

M. INDIAN INDUSTRY'S INTEREST & OTHER ISSUES

1. The purpose of anti dumping duties, in general, is to eliminate dumping which is causing injury to the petitioner companies and to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country.
2. It is recognised 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 petitioner company. On the contrary, imposition of anti dumping measures would remove the unfair advantages gained by dumping practices, would prevent the decline of the petitioner company and help maintain availability of wider choice to the consumers of Vitamin-C. Imposition of anti dumping measures -would not

restrict imports from the subject countries in anyway, and, therefore, would not affect the availability of the product to the consumers.

3. To ascertain the extent of anti-dumping duty necessary -to remove the injury to the petitioner company, the Authority has relied upon non - injurious selling price of Vitamin-C in India for the petitioner company, by considering the optimum cost of production at optimum level of capacity utilisation for the petitioner company.

N. CONCLUSIONS:

The Authority, after considering the foregoing, concludes that:

- a. Vitamin-C originating in or exported from the subject countries has been exported to India below its normal value, thereby resulting in dumping.
- b. The domestic industry has suffered material .injury.
- c. The injury has been caused to the domestic industry by dumping of the subject goods originating in or exported from Russia and EU.

O. FINAL FINDINGS

The Authority, after considering the foregoing, concludes that:

- a. Therefore, the Authority recommends imposition of definite anti-dumping duty on all imports of Vitamin-C falling under chapter 29 (Custom Sub heading 2936.2700) originating in or exported from Russia and EU.
- b. The landed value of imports for the purpose shall be assessable value as determined by the customs under the- Customs Act, 1962 and all duties of customs except duties levied under Section 3, 3A, 8B, 9 and 9 A of the Customs Tariff Act, 1975.
- c. It was considered to recommend the amount of Anti-Dumping Duty equal to the dumping margin or less which, if levied, would remove the injury to the domestic industry. Landed value of the imports for individual exporters, for the purposes, were compared with the non-injurious selling price of the domestic industry, determined for the period of investigation. Wherever the difference was less than the dumping margin, a duty lower than the dumping margin is recommended.
- d. Accordingly, anti-dumping duties may be imposed, on all imports of Vitamin-C originating in or exported from the subject countries. The antidumping duty shall be the difference between the amounts mentioned in column 3 below and the landed value of imports in US \$/Kg.

Sl. No.	Name of the Company	Amount (US \$ per Kg.)
1.	EU 1. M/s. BASF, Germany (M/s. BASF, Germany (subject goods originated from M/s. BASF Health & Nutrition, Denmark) 2. Other Exporters	11.29 12.67
2.	RUSSIA All Exporters	12.67

- e. Subject to the above, the authority confirms the Preliminary Findings dated 17th January, 2000
- f. An appeal against this order shall lie to the Customs, Excise and Gold (Control) Appellate Tribunal in accordance with the Act supra.

RATHI VINAY JHA...
Designated Authority