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

NOTIFICATION

New Delhi, the 5th January, 2005

INITIATION (Mid-term Review)

Subject: Initiation of Mid-term Review of anti-dumping duty imposed on imports of Vitamin AD3 500/100 originating in or exported from European Union and Singapore.

No. 15/22/2004- DGAD - Whereas 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 (herein after referred to as the Rules), vide Notification Number No. 16/1/2001-DGAD dated 18th March 2002, the Designated Authority (herein after referred to as the Authority) notified its final findings recommending definitive antidumping duty on import of Vitamin AD3 500/100 (hereinafter referred to as subject goods) originating in or exported from the European Union and Singapore (hereinafter referred to as subject countries/territory).

AND WHEREAS definitive antidumping duty was imposed on the subject goods vide Customs Notification No. 53/2002-Customs dated 21st May, 2002.

2. Request for Review

Whereas the Rules require the Authority to review from time to time, the need for continued imposition of Anti Dumping Duty and if it is satisfied, on the basis of positive information received by it that there is no justification for continued imposition of such duty, the Authority may recommend to the central government for its withdrawal.

Notwithstanding the above provision the Authority is required to review, on the basis of positive information submitted by any interested party substantiating the need for a review, provided that a reasonable period of time has elapsed since the imposition of

the definitive antidumping duty, whether continued imposition of the duty is necessary to offset dumping, whether the injury would be likely to continue or recur if the duty were removed or varied, or both.

In terms of the above provision European Commission has filed a request for a changed circumstances mid-term review of the antidumping duty in force.

3. Grounds for Review

The applicant claims that since the original investigation period (April-December 2000), several circumstances have changed requiring a review of the antidumping measure in force. The exporter has *inter alia* claimed that in April 2002, M/s Nicholas Piramal merged with another major pharmaceutical company, Rhone Poulenc, India. The merger has had non-negligible consequences for the operation and functioning of the petitioner, since it has enabled substantial cost reduction as well as economies of scale in procurement and distribution of its products.

Secondly, M/s Nicholas Piramal, presently the second largest pharmaceutical group in India, has significantly improved its economic and financial situation since the imposition of the AD duties. Overall profits increased in 2004 by over 65% compared to 2003. It is also likely that the significant growth has positively affected the production and sales of Vitamin AD3.

4. Initiation

Having regards to the positive information provided by the applicant indicating changed circumstances necessitating a review of the measure in force, the Designated Authority now considers that a mid-term review of the Anti Dumping Duty is appropriate in view of the changed circumstances, in terms of the provision of Section 9A (5) of Customs Tariff (Amendment) Act 1995 read with Rule 23 supra.

Having decided to review the final findings notified vide Notification No. 16/1/2001-DGAD dated 18th March 2002, the Authority hereby initiates the investigations in terms of the Rules, to review whether continued imposition of the duty on imports of Vitamin AD 3 500/100 originating in or exported from European Union and Singapore, is necessary to offset dumping, whether the injury would be likely to continue or recur if the duty were removed or varied, or both.

5. Product under Consideration

The product under consideration in the present investigation is Vitamin AD3 500/100. It is a light brown coloured fine granular powder. The individual particles contain Vitamin A Acetate and Vitamin D3 microencapsulated in gelatin and sucrose. EMQ is added as an anti oxidant.

Each gram of Vitamin AD3 500/100 contains

Vitamin A 500000 IU

Vitamin D3 100000 IU

Vitamin AD3 500/100 falls under Chapter 23 of the Custom Tariff Act. However, the product has not been categorised precisely under single dedicated Customs sub-heading, but it has been covered under the category of others preparations of a kind used in animal feeding. Some imports of the Vitamin AD3 500/100 have also being done under Customs sub-heading no. 29.36. Present investigation covers all forms of Vitamin AD3 500/100.

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

6. Procedure

The investigation will determine whether continued imposition of the duty is necessary to offset dumping, whether the injury is likely to continue or recur if the duty were removed or varied, or both.

i. The review will cover all aspects of Notification No. No. 16/1/2001- DGAD dated 18th March 2002.
ii. The period of investigation for the purpose of this review will be 1st April 2003 to 31st March 2004. However, the examination of trends relevant for the analysis of injury shall cover the years from 2000-2001 to the period of investigation.
iii. The countries involved in this investigation are the European Union and Singapore.
iv. The provisions of Rules 6,7,8,9,10,11,16,17,18,19 and 20 of the Rule supra shall be mutatis mutandis applicable in this review.

6.1 Submission of Information:

The exporters in the subject countries/territory, their governments through their embassies in India, the importers and users in India known to be concerned and the

domestic industry are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the:

The Designated Authority
Directorate General of Anti-Dumping and Allied Duties
Ministry of Commerce and Industry

Department of Commerce
Udyog Bhavan
New Delhi-110011.
Fax: 91-11-23014418

Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within the time limit set out below. Any party making confidential submissions before the Authority is required to file a non-confidential version of the same, for placing the same in the public folder for inspection by all other interested parties to the investigation.

6.2 Time Limit

Any information relating to the present review and any request for hearing should be sent in writing so as to reach the Authority at the address mentioned above not later than forty days (40 Days) from the date of publication of this review notification. If no information is received within the prescribed time limit or the information received is incomplete, the Designated Authority may record its findings on the basis of the facts available on record in accordance with the Rules supra.

6.3 Inspection of Public File:

In terms of Rules 6(7), any interested party may inspect the public file containing non-confidential version of the submissions made by other interested parties before the Authority. In case an interested party refuses access to, or otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.

(Christy L. Fernandez)
DESIGNATED AUTHORITY