

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

**NOTIFICATION**

New Delhi, the, 23rd March 2006

**Initiation**

**Subject:** Initiation of anti-dumping investigation concerning imports of Vitamin A Palmitate originating in or exported from Switzerland and China PR

**No. 14/11/2005-DGAD** - Having regard to the Customs Tariff Act, 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Duty or Additional Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (herein after referred to as the Rules).

WHEREAS M/s Nicolas Piramal India Ltd. (herein after referred to as the Applicant) has filed an application before the Designated Authority (hereinafter referred to as this Authority), in accordance with the Act, 1975 and Rules, alleging dumping of Vitamin A Palmitate (herein after referred to as subject good), originating in or exported from Switzerland and China PR (herein after referred to as subject countries/territories) and requested for initiation of Anti Dumping investigations for levy of anti dumping duties on the subject goods.

AND WHEREAS, the Authority finds that sufficient prima facie evidence of dumping of the subject goods from the subject countries/territory, injury to the domestic industry and causal links between the dumping and injury exist, the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of the Rules 5 of the said Rules, to determine the existence, degree and effect of any alleged dumping and to recommend the amount of antidumping duty, which if levied would be adequate to remove the injury to the domestic industry.

## **2. Product under Consideration**

The product involved in the current investigation is Vitamin A Palmitate. Vitamin A Palmitate is available in various strengths viz. Vitamin A Palmitate 1.7, and Vitamin A Palmitate 1.0. Vitamin A Palmitate 1.7 is being dumped in India from People's Republic of China and Switzerland. The production process, physical and chemical characteristics of both the products are similar and the products are substitutable and can be interchangeably used. Since Vitamin A Palmitate of various strengths have the same end use, the present investigations shall cover Vitamin A Palmitate 1.7, and Vitamin A Palmitate 1.0 (herein after termed as the "subject goods") in all its strengths and forms. The product is classified under heading No. 293621.00 in Chapter 29 of the First Schedule to the said Customs Tariff Act and ITC HS Classification. This classification however, is indicative only and in no way binding on the scope of the present investigation.

### **3. Domestic industry and Standing**

The application has been filed by M/s Nicolas Piramal India Ltd. The applicant is the sole producer of subject goods in India. The petitioner, therefore, accounts for complete production of subject goods in India and constitute domestic industry within the meaning of the Rules

### **4. Like article**

It is noted that Vitamin A Palmitate is produced in various strengths viz. Vitamin A Palmitate 1.7, and Vitamin A Palmitate 1.0. MIU/g, which can be increased, or decreased proportionately depending upon the higher or lower strength of subject goods. The petitioner has submitted that there is no difference in the products produced and sold by the domestic industry and imported from subject Countries. The products are being directly imported by the user industries and also by traders for supply to other industries. The consumers are using the domestic and corresponding import products interchangeably. The products produced by the domestic industry and imported from subject Countries/territories being identical in all essential characteristics are treated as like articles within the meaning of the term as per the Rules.

### **5. Normal value**

The ex-works normal value of the subject goods in Switzerland has been estimated based on the information on selling price of the subject goods as is reasonably available to the domestic industry.

In case of China PR, the applicant has claimed that China is a non-market economy country and should be treated so in terms of the Rules, subject to rebuttal of presumption, in terms Paragraph 7 and 8 of Annexure I of the AD Rules, as amended. The domestic industry has also suggested that the European Union should be considered as the appropriate market economy third country for the purpose of determination of normal value in China. In view of the Non-market economy claim, the Authority has, prima facie, considered the Constructed Normal Value based on cost of manufacturing the subject goods in terms of Para 7 & 8 of the Annexure 1 to the said Rules as amended. However, individual exporters may rebut this presumption and file their responses to the non-market questionnaire.

## **6. Export price**

The export price of the subject goods has been estimated on the basis of data collected from DGCI&S and other secondary sources. Adjustments on account of ocean freight, marine insurance, commission, inland transportation in the Countries/territories of export, port handling and port charges have been made to arrive at the Export Price at ex-factory level.

## **7. Dumping margin**

There is sufficient evidence that Normal Values of the subject goods in the subject countries are significantly higher than the net export prices indicating prima-facie that the subject goods are being dumped in the Indian market by exporters from the subject countries/territories.

## **8. Injury and causal link**

Petitioners have furnished information on various parameters relating to injury on account of the product under consideration. Parameters, such as increase in volume of imports both in absolute terms and in relation to the demand of the products, loss in market share, price undercutting and under-selling, Price depression, profitability and cash loss in the manufacturing of subject goods, prima-facie indicate that the Domestic Industry has suffered material injury on account of dumped imports from the subject countries.

The domestic industry has also claimed that there is a large disposable capacity of the subject goods in the subject countries and there has been significant increase in dumped import of the subject goods from the subject countries during the period under investigation indicating major threat of material injury to the domestic industry.

## 9. Procedure

- a. Countries/territories involved The Countries/territories involved in the present investigation are the Peoples Republic of China and Switzerland.
- b. Period of investigation (POI): The period of investigation (POI) for the purpose of present investigation is 1.4.2004 to 30.9.2005. The injury investigation period will however, cover the period 2000-01 to 2003-04 and the POI.
- c. Submission of information: The exporters in the subject Countries, their governments through their embassies in India, the importers and users in India known to be concerned and the domestic industry are requested 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  
Government of India  
Udyog Bhavan  
New Delhi-110011.

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.

- d. **Time limit:** Any information relating to the present investigation should be sent in writing so as to reach the Authority at the address mentioned above not later than forty (40) days from the date of publication of this notification. The known exporters and importers, who are being addressed separately, are however, required to submit the information within (40) forty days from the date of the letter addressed to them.
- e. Submission of information on Non-confidential basis: In terms of Rule 6(7), of the Rules the interested parties are required to submit non-confidential summary of any confidential information provided to the Authority and if in the opinion of the party providing such information, such information is not susceptible to summary, a statement of reason thereof is required to be provided. In case where an interested party refuses access to, or otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.

- f. **Inspection of public file:** Any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties in terms of Rule 6 (7).

**Christy L. Fernandez**  
Designated Authority