

No.26/1/2000-DGAD

Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Anti Dumping & Allied Duties
Udyog Bhawan, New Delhi-110011

New Delhi, the 11th July, 2000

Subject: Initiation of anti-dumping investigation concerning import of Theophylline & Caffeine originating in or exported from the European Union.

26/1/2000-DGAD - A petition for initiation of anti dumping investigation concerning the import of Theophylline & Caffeine from the European Union has been filed in accordance with Rule 5(1) of the Customs Tariff (Identification, Assessment and Collection of Anti Dumping Duty on Dumped Articles and for Determination of Injury) Rules 1995.

2. Domestic Industry: The petition has been filed by M/s. Kores (India) Ltd., Thane, M/s. Bakul Aromatics & Chemicals Ltd., Mumbai and M/s. Valiant Industries Limited, Mumbai on behalf of the domestic industry. The petitioners have averred that there is one more producer of the product, M/s. SU-VI Chemicals Limited, Bombay. The petitioners' production of Theophylline & Caffeine during 1999 accounted for approximately 85% of the total production in the country and therefore have a standing to file the petition on behalf of domestic industry under the Rules aforesaid.

3. Product Involved: The products under consideration are Theophylline, its derivatives, salts thereof and Caffeine, its derivatives and its salts and includes these products in pure as well as crude form. Theophylline & Caffeine are organic chemicals classified under chapter 29 of the Customs Tariff Act. Theophylline is used for pharmaceutical formulations and Caffeine is also used for beverage and soft drinks. The products are defined under Custom sub-heading 2939.30 and 2929.50. The classification is, however, indicative only and is not binding on the scope of the present investigation.

4. Countries involved: The petitioners have provided evidence of dumping of the product involved from the Federal Republic of Germany, Belgium, France and Spain- all members of European Union (EU). As there are no custom boundaries in the EU between various member-countries, it has been argued that for the purpose of this

investigation EU should be treated as a territory subject to investigation. The submissions of the petitioners have been accepted and the present investigation is against the territory of EU (hereinafter referred to as the subject territory).

5. **Like Article:** The petitioners have claimed that the goods produced by them are 'like article' to the goods exported, originating in or exported from the subject territory. Therefore, for the purpose of investigation, the goods produced by the petitioners are being treated as 'like articles' to Theophylline, its derivatives, salts thereof and Caffeine, its derivatives and its salts, both in pure as well as crude form (hereinafter referred to as subject goods) imported from the European Union within the meaning of the Rules.

6. **Normal Value:** The petitioner has claimed normal value based on the prices of the subject goods in European Union. Sufficient prima facie evidence has been presented to the Designated Authority with regard to the normal value of subject goods in the EU.

7. **Export Price:** The export price has been claimed on the basis of the data compiled by the Directorate General Commercial Intelligence & Statistics, Calcutta and the information on actual imports compiled from Customs authorities. Price adjustments have been claimed on account of landing charges, ocean freight, marine insurance, commission, port handling etc., to arrive at net export price. There is sufficient evidence of export price and the adjustments claimed for the subject goods from EU.

8. **Dumping Margin:** There is sufficient prima facie evidence that the normal value of the subject goods in the EU is significantly higher than the net export price indicating prima facie that the subject goods are being dumped by the exporters from the EU.

9. **Injury and Causal Link:** Various parameters relating to injury such as suppressed domestic price resulting in low sales realisation, decline in the sales volume of the domestic industry etc., collectively and cumulatively prima facie indicate that the domestic industry has suffered material injury on account of dumping of subject goods.

10. **Initiation of Anti Dumping Investigation:** The Designated Authority, in view of the foregoing paragraphs, initiates anti dumping investigations into the existence, degree and effect of alleged dumping of the subject goods originating in or exported from the subject countries.

11. The period of investigation for the purpose of present investigations is 1st April 1999 to 31st March 2000 (12 months).

12. **Submission of Information:** The exporters and importers known to be concerned and domestic industry are being informed separately to enable them to file all information relevant in the form and manner prescribed. Any other party interested to participate in the present investigation may write to:

The Designated Authority

(Directorate General of Anti-Dumping & Allied Duties)

Government of India

Ministry of Commerce & Industry

Udyog Bhavan

New Delhi-11001

13. **Time Limit:** All information relating to this investigation should be sent in writing so as to reach the Authority at the above address not later than 40 days from the date of publication of this notification. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record their findings on the basis of the facts available on record in accordance with the Rules supra.

14. **Inspection of Public File:** In terms of Rule 6(7), any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties.

15. 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.

RATHI VINAY JHA,
Designated Authority