

Department of Commerce
Ministry of Commerce & Industry

Notification

New Delhi, 25th September, 2001

Subject: Anti Dumping Investigation concerning imports of Vitamin AB2D3K originating in or exported from European Union, USA, Thailand and Singapore --- Preliminary Findings

No.19/1/2001-DGAD– Having regard to the Customs Tariff (Amendment) Act 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

1. The procedure given below has been followed with regard to the investigations:
 - i. The Designated authority (hereinafter referred to as Authority), under the above Rules, received a written petition from M/s Nicholas Piramal India Limited, Mumbai, alleging dumping of Vitamin AB2D3K being imported in single strength and triple strength forms originating in or exported from European Union, USA, Thailand and Singapore.
 - ii. The preliminary scrutiny of the application revealed certain deficiencies, which were subsequently rectified by the Petitioner. The Petition was therefore considered as properly documented.
 - iii. The Authority on the basis of sufficient evidence submitted by the Petitioner decided to initiate investigations against alleged dumped imports of Vitamin AB2D3K being imported in single strength and triple strength forms (also referred as subject goods hereinafter) originating in or exported from European Union, USA, Thailand and Singapore (also referred as subject countries hereinafter). The scope of the present investigations have included the EU as a single customs union and distinct economic entity as there is no customs boundary in the EU between various member countries. The Authority notified the Embassies / High Commission of the subject countries about the receipt of dumping allegation before proceeding to initiate investigations in accordance with sub rule 5(5) of the Rules;
 - iv. The Authority issued a Public Notice dated 2nd July, 2001, published in the Gazette of India Extraordinary initiating anti-dumping investigations concerning imports of Vitamin AB2D3K (in single strength and triple strength

forms) being cleared under Chapter 23 of the Customs Tariff Act, 1975, under sub heading 2309.90, originating in or exported from European Union, USA, Thailand and Singapore. No specific data is available with DGCI&S with respect to the subject goods. Hence, the Data collected from secondary sources (two private data collecting agencies) namely, M/s INFORMANT and M/s INTERNATIONAL PUBLISHING HOUSE was relied upon to initiate the investigations.

- v. The Authority forwarded a copy of the Public Notice to the Known exporters of Vitamin AB2D3K (whose details were made available by the Petitioner) and gave them an opportunity to make their views known in writing within forty days from the date of the letter;
- vi. The Authority forwarded a copy of the Public Notice to the known importers and the known users of Vitamin AB2D3K (whose details were made available by the Petitioner) and advised them to make their views known in writing within forty days from the date of the letter;
- vii. Request was made to the Central Board of Excise and Customs (CBEC) to arrange details of imports of Vitamin AB2D3K;
- viii. The Authority provided copies of the non-confidential version of the Petition to the known exporters and the Embassies / High Commission of the subject countries in accordance with Rule 6(3) supra;
- ix. The Authority sent a questionnaire, to elicit relevant information to the following known exporters, from the subject countries, in accordance with Rule 6(4);

European Union

1. M/s BASF Aktiengesellschaft
CARL – BOSCH –STRABE, 38
67056, LUDWIGSCHAFEN,
GERMANY.
2. M/s RHONE POULENCE SA (AVENTIS)
Quai Paul Doumer, F-92408,
Courbevoie Cedex,
France.

USA

M/s BASF Corporation,
Chemicals Division,
Washingtonsite,

Pleasantview & Perishing,
Washington, NJ 07882
Thailand

M/s BASF (Thai) Ltd
23rd Floor, Emporium Tower,
622, Sukhumvit Road,
Klongton, Klongtoey,
Bangkok – 10110, Thailand

Singapore

1. M/s BASF South East Asia Pte. Ltd
7, Temasek Boulevard,
35-01, Suntec Tower One,
Singapore – 038987
 2. M/s Aventis Animal Nutrition Asia Pacific Pte.Ltd
1,Loyang Way 4, Singapore – 507028
- xi. The Embassies/ High Commission of the subject countries were informed about the initiation of the investigation in accordance with Rule 6(2) with a request to advise the exporters / producers from their country/ territory to respond to the questionnaire within the prescribed time. A copy of the letter, petition and questionnaire sent to the exporters was also sent to them, along with a list of known exporters / producers.
- xii. A questionnaire was sent to the following known importers / users of Vitamin AB2D3K in India calling for necessary information in accordance with Rule 6(4);

Importers

1. C J Shah
105, Bajaj Bhawan,
10th Floor, Nariman Point,
MUMBAI – 400021
2. K Sevantilal & Co.
74/83, Mangaldas Road,
Dwarkadas Bldg., 2nd Floor,
MUMBAI 400 002
3. Kantilal Manilal & Co.
Apeejay Chambers, Ist Floor,

- Wallace Street,
Fort, MUMBAI 400 001
4. Lalchand Bhimraj & Co.
11, Nyniappa Naick Street,
CHENNAI- 600 003
 5. Ashish International
407, AGH Chambers,
379/81 Narshi Natha Street,
MUMBAI- 400 009.
 6. C & M Farming
C & M House,
ND Patel Road,
NASHIK - 422001
 7. Saventilal & Sons
74/83, Mangaldas Road,
Dwarkadas building , 2nd Floor,
MUMBAI – 400 002
 8. Tetragon Chemie
C7/22, KSSIDC (IE),
Yelahanka, BANGALORE.
 9. Vishal Exports Overseas
18th Neeraj Industrial Estate
Off Mahakali caves road,
Andheri (e), MUMBAI – 93
 10. Hima Dyechem Corp.
232, Samuel Street,
4th Floor , R No 14,
Vadagadi , MUMBAI - 3
 11. Chokhani Pharma Vet
Banu Mansion, 3rd Floor,
16, Nadirsha Sukhia Street,
Fort, MUMBAI 400 001
 12. Dalip Kumar & Co.
455. Ist Floor , Kalbadevi Road,
Chikal House,
MUMBAI – 400 002
 13. Nav Maharashtra Chakan Oil Mills Ltd
Nav Maharashtra House
Opp. Shaniwar Wada,
Post Box No 571,
43, Shaniwar Peth , PUNE –411030

14. Natvarlal & Co.
18, Princess Street,
Fida Ali Building,
1st Floor, MUMBAI –400 002

Users

1. M/S Raj Feed Mills
Village Mohammedpur,
Khandsa Road , Hyderabad
2. National Feed Mills
E-100, Shastri Nagar,
New Delhi
3. Makhanlal & Co,
230, Palam Gurgaon Road,
Kapashera , New Delhi 110037
4. Vital Marketing
Besides Weighs & Measurements office,
Ramakrishna Farms, Padmarao Nagar,
Karur Secunderabad ,AP
5. Reena Feeds,
Mohanur Road,
Namakkal,
Namakkal Dist. TN

Responses were received from the following:

Exporters

1. M/s BASF Aktiengesellschaft, Germany.
2. M/s BASF Corporation, New Jersey, USA.
3. M/s BASF (Thai) Limited, Bangkok, Thailand.
4. M/s BASF South East Asia Pte. Ltd., Singapore.
5. M/s Aventis Animal Nutrition, Singapore.

Importers & Users (including Associations)

1. The Compound Livestock Feed Manufactures Association of India
2. M/s Nav Maharashtra Chakan Oil Mills Ltd., Pune.
3. M/s Chokhani Pharma Vet, Mumbai.
4. M/s Sevantilal & sons, Mumbai.
5. M/s Tetragon Chemie Limited, Bangalore.

- i. Clarification/ additional information was sought from the exporters on the basis of their responses.
- ii. Additional information regarding injury was sought from the Petitioner, which was also received.
- iii. The Authority made available the non-confidential version of the petition and the non-confidential version of views / evidence presented by various interested parties in the form of a public file kept open for inspection by the interested parties.
- iv. The Authority sought information from all the parties concerned, deemed necessary for the investigation.
- v. Cost investigations including spot verification of the domestic industry were also conducted to work out optimum cost of production and cost to make and sell the subject goods in India on the basis of Generally Accepted Accounting Principles (GAAP) and the information furnished by the Petitioner.
- vi. *** in this notification represents information furnished by an interested party on confidential basis and so considered by the Authority under the Rules;
- vii. Investigations were carried out for the period starting from 1st April,2000 to 31st December,2000 (the Period of Investigation also referred to as the POI)

B.2. PETITIONER'S VIEWS

The Petitioner has raised the following major issues in their petition:

2.1 They are the major producer of Vitamin AB2D3K in India and account for nearly 62% of the total production in India. Hence, the petition satisfies the test of 'standing' to file the petition on behalf of the domestic industry.

2.2 Vitamin AB2D3K started coming into the country from late 1996 (November / December) onwards. However, the exporters have suddenly dropped their prices very substantially after March 2000. The imports from these countries are, therefore causing material injury to the domestic industry.

2.3 As compared to price decline of only 2.2% in 1999-2000 over 1998-99, this decline was 12.8% during the period of Investigation. Earlier substantial amounts of imports were done under advance licensing where the importers were not paying any customs duty. After the route of advance licensing was plugged by revising the norms, the importers started importing the product as prawn feed by paying a nominal duty of 5%. After this route was also plugged the exporters reduced the prices substantially and started dumping the product thereby causing injury to the domestic industry.

2.4 The imports from the subject countries have increased tremendously. As per the statistics available (as per the secondary sources), the share of imports during the period of Investigation has increased to 32% from 29% in 1999-2000 as compared to a decline in the market share of the Indian producers which declined from 71% in 1999-2000 to 68% during the POI showing a significant decline.

2.5 The imports from the subject countries are at unreasonably low prices, which prevents the increase of prices in the local market inspite of continuous increase in demand for the product. In order to retain its market share, the petitioner had to decrease their selling prices to match the prices offered by the importers.

2.6 The increase in Production, sales and capacity utilisation during the period of Investigation was achieved at the cost of declining sales realisation and increase in losses for the petitioner.

2.7 The sales realisation of the subject goods have declined from Rs. ***per kg in 1999-2000 to Rs.*** per kg during the period of Investigation resulting in increased losses for the petitioner. The increased losses have created severe liquidity problems for the petitioner and the deficit financing has either resulted in increased finance cost or the loss of opportunity for expansion in other units as the surplus created by them are utilized to finance the losses in this division.

2.8 In order to reduce its losses, the Petitioner has been forced to reduce on to their working capital requirements by keeping the level of inventories to the bare minimum.

2.9 The claim of injury to the Petitioner from the dumped imports is based on the following factors:

- a. Increase in actual imports from the subject countries.
- b. Imports from the subject countries have increased significantly and their market share has increased. The market share of the Domestic Industry has fallen due to the increased dumping of the subject goods.
- c. The aggressive policies of price undercutting by the exporters have prevented the price increase in the local market.
- d. Sales of the domestic industry would have declined had the domestic industry not reduced the selling price to prevent dumped imports.
- e. Due to tremendous pressure on margins, the petitioner may be forced to reduce manpower to the extent possible. It is stated that the manpower strength of *** people is likely to be reduced if no corrective action is taken to redress dumping.

- f. As against the profits in 1998-99, the petitioner has incurred losses during the POI and the losses were to the extent of Rs.*** lacs in the period of Investigation.

C.3. VIEWS OF EXPORTERS, IMPORTERS AND OTHER INTERESTED PARTIES.

1.EXPORTERS' VIEWS

M/s BASF Aktiengesellschaft, Germany.

- a. M/s BASF Aktiengesellschaft, Germany stated that they have only exported the material under investigation with the origin of Thailand and if there should be any other material, produced by BASF with origin in Germany (EU), Singapore and / or USA it must have been exported via traders which is out of their responsibility and influence. Thus, they have no obligation to provide a response to the questionnaire.
- b. The quality of complaint is extremely low, so the alleged parties are not in a position to make any qualified statement. A meaningful Non-confidential copy of the complaint was sought.
- c. Dissatisfaction was expressed with respect to the indexed data relating to some of the injury parameters submitted by the Petitioner in the Non-confidential version of the Petition.

M/s BASF Corporation, New Jersey, USA.

M/s BASF Corporation, USA stated that after reviewing the complaint and their internal records, they have found no evidence that they manufacture the product at issue in this case (nor, as well, that they export any such product to India) and thus have no obligation to provide a response to the questionnaire.

M/s BASF (Thai) Limited, Bangkok, Thailand.

- a. M/s BASF (Thai) Limited stated that they are exporting the product under Investigation at Non-dumped Prices.
- b. The product under Investigation is a tailor-made for Indian Market with the exception of small shipments to other countries than India.
- c. The copy of the meaningful Non-confidential version of the petition was sought.

M/s BASF South East Asia Pte. Ltd., Singapore.

M/s BASF South East Asia Pte. Ltd. stated that they did not export any material under investigation and consequently is not obliged to provide exporters questionnaire. If there should be any other material, produced by BASF with origin in Germany (EU), Singapore and / or USA, it must have been exported via Traders which is out of their responsibility and influence.

M/s Aventis Animal Nutrition, Singapore.

M/s Aventis Animal Nutrition, Singapore only filed their response to the questionnaire.

3.2 Importers and other interested parties views

i) CHOKHANI PHARMA VET

- a. The products are two different products, that is, Vitamin AB2D3K (Triple strength) and Vitamin AB2D3K (single strength).
- b. The products Vitamin AB2D3K (Triple strength) is the product used as essential nutrient for feeding the poultry by breeders and the farmers even in remote areas. By imposing this Anti-dumping duty the Indian farmers will stand no competition against the foreign poultry suppliers.
- c. There is no imports effected from the USA to the best of their knowledge.
- d. The petitioner has not provided the data available with the customs. However, an importer's data is more reliable and authentic and therefore, the private source of data should not be considered when actual import data is available.
- e. The petitioner has failed to inform the Authority that the Vitamin B2, D3, K is being bought locally or imported by them as they are not manufacturing the same. The petitioner is the manufacturer of Vitamin A acetate only and not Vitamin B2, D3, K. Due to this they feel that the product Vitamin AB2D3K which is a mixture of 4 Vitamins A, B2, D3, K and is not eligible for anti-dumping duty at all.
- f. The carrier used by their manufacturer/exporter is wheat polarid and not groundnut meal as claimed by the petitioner. As such this application is liable to be rejected for giving wrong ingredients.
- g. The Petitioner is itself a manufacturer of Vitamin A only. The balance product is being imported or bought indigenously. When other manufacturer in the country who are buying Vitamin A from the petitioner are not effected by the imports then how is the petitioner getting effected. It is very clear that the petitioner is trying to use this method for increasing the profits.
- h. In the Annual Report of 1999-2000, the petitioner has claimed under the heading "Vitamin A and its Premixes", that they have made an additional profit of Rs. 400 lacs than the earlier year. It is clear that the petitioner is making

profit in the same and now they are resorting to anti dumping to make additional profits.

- i. The product manufactured by the petitioner is just the mixture, however, the imported product has a gelatin coating on the product Vitamin A, due to which at the time of feeding the animal, the same is not wasted. Due to this coating, the shelf life of the imported product is 18 months whereas in case of the petitioner's product, the shelf life is hardly 9-12 months due to outdated technology.
- j. The petitioner has failed to upgrade the technology, which is going worldwide. Due to the outdated technology the yields are low and the production cost is high. The petitioner should increase the efficiency to bring down the cost of production instead of having recourse to the Anti dumping process.
- k. The goods are being manufactured by multinationals worldwide. The prices for all the vitamins have been falling worldwide since last three years. The manufacturers have a standard pricing policy for each market. However, in case of the South Asian market in which India is covered along with Thailand, Singapore, Taiwan, Korea, Philippines, Sri Lanka, Malaysia the pricing of these manufacturers/exporters have been quite similar and may vary depending on the quantities, payment terms, and freight.
- l. The manufacturer/exporters have same pricing for all the South Asian countries. Also the local prices in the place of manufacturer is lower than the prices at which it was exported to India, as such there is no case of dumping of goods.

ii) The Compound Livestock Feed Manufactures Association of India:

- a. Vitamin AB2D3K is a poultry feed supplement consisting of Vitamin A, B2, D3 and K. It is essential component of poultry feed required to provide optimum level of vitamins for better growth and production.
- b. The product under consideration is being imported for last many years in two concentrations such as Single Strength (SS) and Triple Strength (TS). The product is classified under Chapter 23 of Custom Tariff Act as a Feed Additive.
- c. The petitioner has claimed that they are the only manufacturer of Vitamin AB2D3K in India from basic stage. This is not correct, as they are not the basic manufacturers for Vitamin B2, D3 and K. They are just procuring these vitamins either from local market or import and mix them to make the pre-mix. Besides M/s Nicholas Piramal there are several other manufacturers of this product. The petitioner hardly supplies about 30% to 35% of the required quantity for use in poultry industry.

- d. The petitioner has mentioned in his petition that AB2D3K is simply a mixture of 4 vitamin whereas imported AB2D3K is a specially designed product for feed industry using vitamin coating technology.
- e. In the referred notification it is mentioned that there is sufficient prima facie evidence that normal value of the subject goods in the subject countries is significantly higher than the export price indicating that subject goods are being dumped by the exporters from the subject countries. Vitamin AB2D3K is neither sold nor used by poultry industry in subject countries.

D.4. EXAMINATION OF THE ISSUES RAISED

4.1 The foregoing submissions made by the petitioner, exporters, importers and other interested parties, to the extent these are relevant as per the Rules and to the extent these have a bearing upon the case, have been examined and considered and have been dealt with at appropriate places in these findings.

4.2 The authority after examining the imports data considers that there is insufficient evidence before it in respect of imports of the subject goods from USA. Hence the authority considers it appropriate to exclude imports of the subject goods from USA from the scope of the present investigation.

E.5. PRODUCT UNDER CONSIDERATION

5.1 It is a loose, brownish-yellow coloured powder, containing Vitamin A, B2, D3, and K. Groundnut meal is the carrier.

EACH GRAM OF VITAMIN AB2D3K 2D3K CONTAINS	SINGLE STRENGTH		TRIPLE STRENGTH	
VITAMIN A	82,500	IU	247500	IU
VITAMIN B2	50	MG	150	MG
VITAMIN D3	12,000	IU	36000	IU
VITAMIN K	10	MG	30	MG

The composition of triple strength is three times the composition of single strength.

5.2 Vitamin AB2D3K falls under Chapter 23 of the Custom Tariff Act. However, the product has not been categorised precisely under single dedicated custom sub-heading but it has been covered under the category of other preparations of a kind used in animal feeding. The present petition is against imports of Vitamin AB2D3K (in single strength and triple strength forms).

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

F.6. LIKE ARTICLE

6.1 The Vitamin AB2D3K is an essential component of Poultry feed as it is used to provide required Vitamin Level in Poultry feed for better nutrition. It is added to the poultry feed at the poultry feed mills, hatcheries and farms who make their own feed. Vitamin AB2D3K single strength and triple strength are used interchangeably by the Poultry feed mills and other users.

6.2 The Authority notes that Vitamin AB2D3K single strength and triple strength produced by the domestic industry has characteristics closely resembling the imported Vitamin AB2D3K single strength and triple strength and is substitutable both commercially and technically. Vitamin AB2D3K single strength and triple strength produced by the domestic industry has been treated as like article to the product exported from European Union, Thailand and Singapore, within the meaning of Rule 2(d).

G.7. DOMESTIC INDUSTRY

7.1 M/s Nicholas Piramal India Limited, Mumbai has filed the Petition. The petitioner is the major producer of Vitamin AB2D3K in India and accounts for nearly 62% of the total Indian Production of Vitamin AB2D3K. As such the petitioner has the standing to file the petition as per the Rules.

H.8. DUMPING

8.1 Under Section 9A(1)(c), Normal Value in relation to an article means:

The comparable price, in the ordinary course of trade, for the like article when meant for consumption in the exporting country or territory as determined in accordance with the rules made under Sub section (6); or

When there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the Normal Value shall be either:

Comparable representative price of the like article when exported from the exporting country or territory to an appropriate third country as determined in accordance with the rules made under sub-section (6); or the cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and

general costs, and for profits, as determined in accordance with the rules made under sub section (6);

Provided that in case of import of the article from a country other than in the country of origin and where the article has been merely transshipped through the country of export or such article is not produced in the country of export or there is no comparable price in the country of export, the Normal Value shall be determined with reference to its price in the country of origin.

8.2 The Authority sent questionnaires to the exporters from the subject countries in terms of the section cited above. M/s BASF Aktiengesellschaft, Germany and M/s BASF South East Asia Pte. Ltd, Singapore stated that they have only exported the material under investigation with the origin of Thailand and if there should be any other material, produced by BASF with origin in Germany (EU), Singapore and / or USA it must have been exported via traders which is out of their responsibility and influence. Thus, they have no obligation to provide a response to the questionnaire. M/s BASF Corporation, USA stated that after reviewing the complaint and their internal records, they have found no evidence that they manufacture the product at issue in this case (nor, as well, that they export any such product to India) and thus have no obligation to provide a response to the questionnaire. As already stated above, imports of the subject goods from USA have been excluded from the scope of the present investigation. M/s Rhone Poulence SA (Aventis), France did not file any response to the questionnaire.

- a. M/s BASF (Thai) Limited, Thailand submitted their response to the questionnaire and claimed that they are exporting the product under Investigation at non-dumped Prices. However the response was not deemed sufficient in terms of the information sought as per the questionnaire and therefore additional clarifications/ documents were sought from the exporter. As per the information submitted by them, it was noticed that there was no domestic sale of subject goods as there was no demand of subject goods in Thailand and that the sales of subject goods to India were on 'made to order basis'. It was further noticed from the Annual Report of the exporter that their major dealing towards purchase of raw materials was with related companies. The exporter was, *inter-alia*, asked to furnish necessary supporting documents/evidence to show that the purchases made by them from related companies was on an arm's length basis and were made in the ordinary course of trade. The exporter in their response accepted that they have bought raw materials from related companies while stating that mainly they bought raw materials from M/s BASF South East Asia in the ordinary course of trade but expressed their inability to submit the necessary supporting documents. Thus, the Authority has no choice but to reject this claim of the exporter in absence of

relevant documents/evidence proving that the transactions were at arm's length and in the ordinary course of trade.

Besides, M/s BASF (Thai) Limited, Thailand did not furnish certain material information on the grounds that the same was company's internal strength and was therefore irrelevant to the export sale price, marketing, administration and distribution. The Authority notes that the exporter is required to furnish the information as is deemed necessary by it. While the exporter can always advance argument to support his case, yet he is required to furnish the information requested by the authority before advancing any such argument. Moreover it is not conceived in law that the exporter has a right to pre-decide as to what information is necessary and what is not for the Authority to arrive at a decision.

In view of the above, the data furnished by M/S BASF (Thai) Limited, Thailand was found insufficient and therefore disregarded.

- b. M/s Aventis Animal Nutrition, Singapore responded to the questionnaire but the same was not deemed sufficient in terms of the format prescribed for this purpose. Therefore clarifications/ additional information was sought from them. Despite an opportunity being provided to them to furnish the relevant information/documents, the exporter failed to submit the sufficient relevant and necessary information/documents to the Authority.

In view of the above, the data furnished by M/s Aventis Animal Nutrition, Singapore was found insufficient and hence disregarded.

8.3 In view of the non-submission of the relevant and sufficient information / data by producers/ exporters from European Union, Thailand and Singapore, the Authority has been constrained to rely upon ' facts available' with regard to normal value and export price.

A. NORMAL VALUE

8.4 European Union

8.4.1 The examination of the response by M/s BASF, Aktiengesellschaft, Germany shows that they have only exported the material under investigation with the origin of Thailand and if there should be any other material, produced by BASF with origin in Germany (EU), Singapore and / or USA it must have been exported via traders which is out of their responsibility and influence.

8.4.2 M/s Rhone Poulence SA (Aventis), France did not respond to the questionnaire.

8.4.3The Petitioner has stated that they have not been able to get any reasonable and authentic evidences with regard to domestic prices of Vitamin AB2D3K (Triple strength) or price list of exporters either for selling in their domestic market or for export to other countries other than India. The Petitioner has requested that the normal value may be based on constructed cost.

8.4.4Authority notes that exporters of European Union did not respond to the questionnaire, thereby making it impossible to arrive at Normal Value on the basis of their data.

8.4.5Under the circumstances, Normal Value under the rules is determined on the basis of 'facts available'. Therefore, as per the information provided by the petitioner on the basis of estimated cost of production of the subject goods, after being normated has been taken as the basis for working out the normal value of the product which works out to US \$ *** per kg for Vitamin AB2D3K (Triple Strength) in the case of European Union.

8.5 THAILAND

8.5.1M/s BASF (Thai) Limited, Thailand, *inter-alia*, stated that there was no sale of subject goods in the domestic market during the period of investigation as there was no demand for the product in the domestic market and that the product under investigation is a tailor-made for Indian Market with the exception of small shipments to countries other than India.

8.5.2M/s BASF (Thai) Limited, Thailand have given the details of sales made by them of the subject goods to countries other than India but the same have not been considered for arriving at the normal price as the raw materials for the same have been bought from the related companies and the transactions of which have not been shown as arm's length transactions and therefore cannot be treated as having being made in the ordinary course of trade.

8.5.3The Petitioner has stated that they have not been able to get any reasonable and authentic evidences with regard to domestic prices of Vitamin AB2D3K or price list of exporters either for selling in their domestic market or for export to other countries other than India. The Petitioner has requested that the normal value may be based on constructed cost.

8.5.4Authority notes that exporters of Thailand did not submit the necessary and relevant information/ documents as sought by the Authority to enable it to arrive at Normal Value on the basis of their data.

8.5.5 Under the circumstances and as per the rules, the normal value has to be determined on the basis of the actual cost of production of the subject goods in the country of origin. The data furnished by M/s BASF (Thai) Limited, Thailand was examined and it was noted that their major dealing towards purchase of raw material was with the related companies. In view of this fact, the exporter was asked to furnish all supporting documents to establish that their dealings with the related companies were at an arm's length basis and that the purchases made were in the ordinary course of trade. Since the exporter failed to furnish the required supporting documents and there is no other known producer/exporter in Thailand, the cost of production furnished by M/s BASF (Thai) Limited, Thailand is the only data that is available for calculating the Normal Value. However, the data furnished by M/s BASF (Thai) Limited, Thailand cannot be relied upon as the same has not been shown to be at an arm's length and in the ordinary course of trade. Thus, the normal value has to be determined on the basis of 'facts available'. Therefore, as per the information provided by the petitioner on the basis of estimated cost of production of the subject goods after being normated has been taken as the basis for working out the normal value of the product which works out to US \$ *** per kg for Vitamin AB2D3K (Single strength) and US \$ *** per kg for Vitamin AB2D3K (Triple Strength) in the case of Thailand.

8.6 SINGAPORE

8.6.1 M/s BASF South East Asia Pte. Ltd. Singapore stated that they did not export any material under investigation and consequently is not obliged to provide exporters questionnaire. If there should be any other material, produced by BASF with origin in Germany (EU), Singapore and / or USA, it must have been exported via Traders which is out of their responsibility and influence.

8.6.2 M/s Aventis Animal Nutrition, Singapore did not submit relevant information/ documents as per the prescribed questionnaire despite an opportunity given to them and hence the same was disregarded.

8.6.3 The Petitioner has stated that they have not been able to get any reasonable and authentic evidences with regard to domestic prices of Vitamin AB2D3K or price list of exporters either for selling in their domestic market or for export to other countries other than India. The Petitioner has requested that the normal value may be based on constructed cost.

8.6.4 Authority notes that exporters of Singapore did not submit the necessary and relevant information/ documents as per the questionnaire, thereby making it impossible to arrive at Normal Value on the basis of their data.

8.6.5 Under the circumstances, Normal Value under the rules is determined on the basis of 'facts available'. Therefore, as per the information provided by the petitioner on the basis of estimated cost of production of the subject goods, after being normated has been taken as the basis for working out the normal value of the product which works out to US \$ *** per kg for Vitamin AB2D3K (Single strength) and US *** per kg for Vitamin AB2D3K (Triple Strength) in the case of Singapore.

(B) EXPORT PRICE

8.7 The Petitioner has stated that Vitamin AB2D3K (single strength and triple strength) was imported under Chapter 23 of the Custom Tariff Act under Sub heading 2309.90. The product has not been categorised precisely under single dedicated custom sub-heading, but it has been covered under the category of other preparations of a kind used in animal feeding.

8.8 No specific data was made available by DGCI&S, therefore, the volume and value of the subject goods imported into India from the subject countries has been compiled on the basis of the 'facts available', i.e. from the data made available by the Petitioner (Secondary sources, namely, M/s INFORMANT and M/s INTERNATIONAL PUBLISHING HOUSE) and on the basis of information provided by some of the importers and exporters. As already stated above, imports of the subject goods from USA have been excluded from the scope of the present investigation.

8.9 The Petitioner has claimed adjustments towards ocean freight, marine insurance, commission, inland transportation and Port expenses. However, the Authority has accepted the adjustments on the basis of evidence/ documents produced to that effect.

A. European Union

All Exporters

8.10 The weighted average c.i.f. price per kg. of exports of Vitamin AB2D3K (Triple Strength) effected during the period of investigation by the exporters of European Union works out as US \$ ***. The weighted average ex-works export price has been determined after taking 2.19% as ocean freight, 0.18% as marine insurance charges, 5% as commission amount, 5.20% as inland transportation and 3.74% as port expenses. After adjustments on these accounts for US \$ *** per kg. against the total quantity of exports of 1052 kg; the weighted average ex-works export price works out to US \$ *** per kg.

B. THAILAND

M/s BASF (Thai) Limited, Bangkok, Thailand.

8.11.1 The weighted average c.i.f. price per kg. of exports of Vitamin AB2D3K (Single strength) effected by M/s BASF (Thai) Limited, Thailand during the period of investigation works out as US \$ *** per kg. The weighted average ex-works export price has been determined after taking 2.69% as ocean freight, 0.18% as marine insurance charges, 4% as commission amount, 4.43% as inland transportation and 9.97% as port expenses. After adjustments on these accounts for US \$ *** per kg. against the total quantity of exports of 6500 kg; the weighted average ex-works export price works out to US \$ *** per kg.

8.11.2 The weighted average c.i.f. price per kg. of exports of Vitamin AB2D3K (Triple strength) effected by M/s BASF (Thai) Limited, Thailand during the period of investigation works out as US \$ *** per kg. The weighted average ex-works export price has been determined after taking 1.03% as ocean freight, 0.18% as marine insurance charges, 4% as commission amount, 1.70% as inland transportation and 3.83% as port expenses. After adjustments on these accounts for US \$ *** per kg. against the total quantity of exports of 8150 kg; the weighted average ex-works export price works out to US \$ *** per kg

All other exporters

8.11.3 The weighted average c.i.f. price per kg. of exports of Vitamin AB2D3K (Single strength) effected by all other exporters of Thailand during the period of investigation works out as US \$ *** per kg. The weighted average ex-works export price has been determined after taking 2.59% as ocean freight, 0.18% as marine insurance charges, 5% as commission amount, 4.26% as inland transportation and 9.58% as port expenses. After adjustments on these accounts for US \$ *** per kg. against the total quantity of exports of 2500 kg; the weighted average ex-works export price works out to US \$ *** per kg.

8.11.4 The weighted average c.i.f. price per kg. of exports of Vitamin AB2D3K (Triple strength) effected by all other exporters of Thailand during the period of investigation works out as US \$ *** per kg. The weighted average ex-works export price has been determined after taking 1.13% as ocean freight, 0.18% as marine insurance charges, 5% as commission amount, 1.86% as inland transportation and 4.19% as port expenses. After adjustments on these accounts for US \$ *** per kg. against the total quantity of exports of 7750 kg; the weighted average ex-works export price works out to US \$ *** per kg.

C. SINGAPORE

M/s Aventis Animal Nutrition, Singapore

8.12.1 The weighted average c.i.f. price per kg. of exports of Vitamin AB2D3K (Single strength) effected by M/s Aventis Animal Nutrition, Singapore during the period of investigation works out as US \$ *** per kg. The weighted average ex-works export price has been determined after taking 2.11% as ocean freight, 0.18% as marine insurance charges, 5% as commission amount, 3.25% as inland transportation and 6.99% as port expenses. After adjustments on these accounts for US \$ *** per kg. against the total quantity of exports of 7000 kg; the weighted average ex-works export price works out to US \$ *** per kg.

8.12.2 The weighted average c.i.f. price per kg. of exports of Vitamin AB2D3K (Triple strength) effected by M/s Aventis Animal Nutrition, Singapore during the period of investigation works out as US \$ *** per kg. The weighted average ex-works export price has been determined after taking 0.77% as ocean freight, 0.18% as marine insurance charges, 5% as commission amount, 1.19% as inland transportation and 2.56% as port expenses. After adjustments on these accounts for US \$ *** per kg. against the total quantity of exports of 4000 kg; the weighted average ex-works export price works out to US \$ *** per kg.

All other exporters

8.12.3 The weighted average c.i.f. price per kg. of exports of Vitamin AB2D3K (Single strength) effected by all other exporters of Singapore during the period of investigation works out as US \$ *** per kg. The weighted average ex-works export price has been determined after taking 2.91% as ocean freight, 0.18% as marine insurance charges, 5% as commission amount, 4.48% as inland transportation and 9.64% as port expenses. After adjustments on these accounts for US \$ *** per kg. against the total quantity of exports of 6000 kg; the weighted average ex-works export price works out to US \$ *** per kg.

8.12.4 The weighted average c.i.f. price per kg. of exports of Vitamin AB2D3K (Triple strength) effected by all other exporters of Singapore during the period of investigation works out as US \$ *** per kg. The weighted average ex-works export price has been determined after taking 0.97% as ocean freight, 0.18% as marine insurance charges, 5% as commission amount, 1.49% as inland transportation and 3.21% as port expenses. After adjustments on these accounts for US \$ *** per kg. against the total quantity of exports of 10000 kg; the weighted average ex-works export price works out to US \$ *** per kg.

DUMPING MARGIN

The rule relating to fair comparison provides comparison of Normal Value and Export Price as follows:

" While arriving at margin of dumping Designated Authority shall make a fair comparison between the Export Price and the Normal Value. A comparison shall be made at the same level of trade, normally at ex-factory level and in respect of sales made at as nearly as 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".

A. European Union

8.13 For Vitamin AB2D3K (Triple strength) considering the ex-works normal value at US \$ *** per kg and the ex-works export price at US \$ *** per kg after adjustments on account of ocean freight (2.19%), marine insurance charges (0.18%), commission (5%), inland transportation (5.20%) and port expenses (3.74%); the dumping margin comes to US \$ *** per kg (which is 202 % of export price)

B. M/s BASF (Thai) Limited, Bangkok, Thailand.

8.14.1 For Vitamin AB2D3K (Single strength) considering the ex-works normal value at US \$ *** per kg and the ex-works export price at US \$ *** per kg after adjustments on account of ocean freight (2.69%), marine insurance charges (0.18%), commission (4%), inland transportation (4.43%) and port expenses (9.97%); the dumping margin comes to US \$ *** per kg (which is 133% of export price).

8.14.2 For Vitamin AB2D3K (Triple strength) considering the ex-works normal value at US \$ *** per kg and the ex-works export price at US \$ *** per kg after adjustments on account of ocean freight (1.03%), marine insurance charges (0.18%), commission (4%), inland transportation (1.70%) and port expenses (3.83%); the dumping margin comes to US \$ *** per kg (which is 89% of export price).

All other exporters

8.14.3 For Vitamin AB2D3K (Single strength) considering the ex-works normal value at US \$ *** per kg and the ex-works export price at US \$ *** per kg after adjustments on account of ocean freight (2.59%), marine insurance charges (0.18%), commission (5%), inland transportation (4.26%) and port expenses (9.58%); the dumping margin comes to US \$ *** per kg (which is 124% of export price).

8.14.4 For Vitamin AB2D3K (Triple strength) considering the ex-works normal value at US \$ *** per kg and the ex-works export price at US \$ *** per kg after adjustments on account of ocean freight (1.13%), marine insurance charges (0.18%), commission (5%), inland transportation (1.86%) and port expenses (4.19%); the dumping margin comes to US \$ *** per kg (which is 111% of export price).

C. Singapore

M/s Aventis Animal Nutrition, Singapore

8.15.1 For Vitamin AB2D3K (Single strength) considering the ex-works normal value at US \$ *** per kg and the ex-works export price at US \$ *** per kg after adjustments on account of ocean freight (2.11%), marine insurance charges (0.18%), commission (5%), inland transportation (3.25%) and port expenses (6.99%); the dumping margin comes to US \$ *** per kg (which is 128% of export price).

8.15.2 For Vitamin AB2D3K (Triple strength) considering the ex-works normal value at US \$ *** per kg and the ex-works export price at US \$ *** per kg after adjustments on account of ocean freight (0.77%), marine insurance charges (0.18%), commission (5%), inland transportation (1.19%) and port expenses (2.56%); the dumping margin comes to US \$ *** per kg (which is 83% of export price)

All other exporters

8.15.3 For Vitamin AB2D3K (Single strength) considering the ex-works normal value at US \$ *** per kg and the ex-works export price at US \$ *** per kg after adjustments on account of ocean freight (2.91%), marine insurance charges (0.18%), commission (5%), inland transportation (4.48%) and port expenses (9.64%); the dumping margin comes to US \$ *** per kg (which is 233% of export price).

8.15.4 For Vitamin AB2D3K (Triple strength) considering the ex-works normal value at US \$ *** per kg and the ex-works export price at US \$ *** per kg after adjustments on account of ocean freight (0.97%), marine insurance charges (0.18%), commission (5%), inland transportation (1.49%) and port expenses (3.21%); the dumping margin comes to US \$ *** per kg (which is 132% of export price).

8.16.1 Comparing the Normal value and Export price, the dumping margin for Vitamin AB2 D3K (Single strength) works out as under: -

US \$ per Kg.	Thailand (M/s BASF (Thai) Limited.)	Thailand (All other exporters)	Singapore (M/s Aventis Animal Nutrition,)	Singapore (All other exporters)
Normal Value	***	***	***	***
Export Price	***	***	***	***

Dumping Margin %	133%	124%	128%	233%
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8.16.2 Comparing the Normal value and Export price, the dumping margin for Vitamin AB2 D3K (Triple strength) works out as under: -

US \$ per Kg.	European Union	Thailand (M/s BASF (Thai) Limited.)	Thailand (All other exporters)	Singapore (M/s Aventis Animal Nutrition,)	Singapore (All other exporters)
Normal Value	***	***	***	***	***
Export Price	***	***	***	***	***
Dumping Margin %	202%	89%	111%	83%	132%

8.17 For the purpose of fair comparison between Normal Value and Export Price the Authority took into account the information furnished by the Petitioner and other information available with the Authority. The Normal Value and Export Prices determined as detailed above are at ex-works level.

I.9. INJURY

9.1 Under Rule 11 supra, Annexure-II, when a finding of injury is arrived at, such finding shall involve determination of the injury to the domestic industry, "taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on domestic producers of such article...". 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 increase, which otherwise would have occurred, to a significant degree.

9.2 Annexure II (iii) under Rule 11 supra further provides that in case where imports of a product from more than one country are being simultaneously subjected to anti-dumping investigation, the Designated Authority will cumulatively assess the effect of such imports, only when it determines that the margin of dumping established in relation to the imports from each country is more than two per cent expressed as a percentage of export price and the volume of the imports from each country is three per cent of the imports of the like article or where the export of the individual countries is less than three per cent, the imports cumulatively account for more than seven per cent of the imports of the like article, and cumulative assessment of the effect of imports is appropriate in light of the conditions of competition between the imported article and the like domestic article.

9.3 The Authority notes that the margin of dumping and quantum of imports from European Union, Thailand and Singapore are more than the limits prescribed above. The cumulative assessment of the effect of imports of Vitamin AB2D3K (single strength and triple strength) is appropriate in the light of the conditions of competition between the imported subject goods and the conditions of competition between the imported subject goods and the like domestic article.

9.4 For the examination of the impact of imports on the domestic industry in India, the Authority has considered such further indices having a bearing on the state of the industry as production, capacity utilisation, quantum of sales, profitability, net sales realisation, the magnitude and margin of dumping etc. in accordance with Annexure II (iv) of the rules supra.

- a. Quantum of Imports. The quantity of triple strength has been converted to single strength by multiplying with factor 3 }.

The total imports of Vitamin AB2D3K were 78 Mt in 1998-99, 100 Mt in 1999-2000 (as per the data in the Petition) and 114.86 Mt during 1st April, 2000 – 31st December, 2000, the period of investigation. (as per the data in the Petition from the secondary sources and data made available by some of the importers and exporters). Thus, the increase was 28.2% in 1999-2000 over 1998-99 and 53.15% (annualised) in POI over 1999-2000. The increase was 96.35% (annualised) in POI over 1998-99. Thus, the quantum of imports has gone up significantly during the period of investigation.

The quantum of imports from European Union was 72.25 Mt in 1998-99, 76.54 Mt in 1999-2000 (as per the data in the Petition) and 3.15 Mt during the POI (as per the data in the Petition from the secondary sources and data made available by some of the importers and exporters) respectively. Imports from European Union increased by 5.93 % in 1999-2000 over 1998-99 and decreased drastically by 94.52 % (annualised) in POI over 1999-2000. The decrease was 94.19% (annualised) in POI over 1998-99. Thus, the quantum of imports from European Union has declined significantly during the period of investigation.

The quantum of imports from Thailand was 11 Mt in 1999-2000 (as per the data in the Petition) and 56.7 Mt during the POI (as available from the statistics from secondary sources and data made available by some of the importers and exporters) respectively. The imports from Thailand increased by 587% (annualised) in the POI over 1999-2000. Thus, the quantum of imports from Thailand has gone up significantly during the period of investigation.

The quantum of imports from Singapore was 3 Mt in 1999-2000 (as per the data in the Petition) and 55 Mt during the POI (as available from the statistics from secondary sources and data made available by some of the importers and exporters) respectively. The imports from Singapore increased by 2344% (annualised) in the POI over 1999-2000. Thus, the quantum of imports from Singapore has gone up significantly during the period of investigation.

The quantum of imports from other countries was 2.5 Mt in 1998-99, 0.5 Mt in 1999-2000 and Nil during the POI (as available from the Petition) respectively.

b. Production, Capacity Utilisation and Impact on Inventories

It is observed that the production capacity, production and capacity utilisation of the petitioner company (viz., M/s. Nicholas Piramal India Limited, Mumbai) was as under:

Year Capacity (KG) Production (KG) Capacity

(per annum) Utilisation

1998-99 891000 130718 14.67%

1999-00 891000 133650 15.00%

2000 891000 116086 17.37%

(POI) (Annualised)

The capacity utilisation of the petitioner was 14.67% in 1998-99, 15.00% in 1999-00 and during the POI, it was 17.37% (Annualised). It is seen that the capacity utilisation of the Petitioner Company has increased marginally during the period of investigation but the same has been achieved at low sales realisation. In order to keep the costs to the minimum, the petitioner have been forced to reduce on to their working capital requirements by keeping the inventories to the bare minimum.

c. Sales and Market Share

It is observed that the total consumption of Vitamin AB2D3K in the Indian Market was 313 Mt in 1998-99, 350 Mt in 1999-2000 (as per the data made available in the petition) and 313 Mt during the nine months of the POI (as per the data made available in the petition and some of the exporters & importers)

respectively. The share of imports in total consumption was 25% in 1998-99, 29% in 1999-2000 and 36.7% during the POI respectively. The share of the Petitioner Company was 44%, 41% and 39% respectively during 1998-99, 1999-2000 and POI respectively. Thus, the share of imports has risen in the total consumption whereas the share of domestic industry has declined.

d. Price undercutting and price depression

It is seen that the petitioner had to decrease their selling prices to match the prices offered by the exporters and importers. The imports from the European Union, Thailand and Singapore cumulatively have significantly depressed the prices of the Vitamin AB2D3K being sold by the domestic producers and have prevented the increase of prices in the local market in spite of the fact that there was continuous increase in demand for the product. Therefore, the dumped imports from the European Union, Thailand and Singapore cumulatively have caused significant price undercutting and caused losses to the petitioner. The average realisation per kg of Vitamin AB2D3K (Single strength) in 1998-99 was Rs ***/- per kg, which dropped to Rs ***/- per kg in 1999-2000 and to Rs ***/- per kg, during the POI. Likewise the petitioner could not even realise its costs in case of Vitamin AB2D3K (Triple strength).

e. Profitability & impact on employment.

In spite of the increase in production and sales volume of Vitamin AB2D3K during the period of investigation, the losses of the petitioner company have not declined. The petitioner has not yet laid off employees but it has been mentioned that they may be forced to lay off employees if corrective measures to check dumping are not taken. But it is observed that the Petitioner Company is a multi-product Company and involved in production of various products. Therefore, no significant change in employment level of the domestic industry due to poor operating levels is observed.

f. Impact on Cash Flow & Growth

It has been claimed by the Petitioner that constant reduction in the prices of Vitamin AB2D3K in the domestic Market on account of dumped imports has affected the profitability of the petitioner consequently adversely affecting the cash flow of the company.

However, sufficient data was not available before the Authority to assess any significant impact on the factors such as actual and potential negative effects on cash flow, growth and ability to raise capital investments.

J. 10 CONCLUSION ON INJURY

10.1 . In view of the foregoing it is observed that: -

- a. the quantum of imports from Thailand and Singapore has increased in absolute terms whereas in case of European Union it has declined. However, it is observed that the imports from European Union, Thailand and Singapore have adversely affected the domestic industry cumulatively;
- b. the domestic industry has been forced to sell at reduced prices that have resulted in losses or low returns on investments;
- c. imports are significantly undercutting the prices of the domestic industry;
- d. The increase in production, sales and capacity utilisation during the period of investigation is marginal and at declining sales prices, resulting in increased losses for the petitioner.

10.2 The Authority therefore concludes that the domestic industry has suffered material injury.

K. 11 CAUSAL LINK

11.1 In establishing that the material injury to the domestic industry has been caused by the imports from the European Union, Thailand and Singapore cumulatively, the Authority holds that the increase in market share of imports from the European Union, Thailand and Singapore cumulatively has resulted in decline in the market share of the petitioner. These imports significantly undercut the prices of the domestic product forcing the domestic industry to sell at unremunerative prices. Resultantly, the domestic industry incurred losses. The material injury to the domestic industry was, therefore, caused by the dumped imports from the European Union, Thailand and Singapore cumulatively.

11.2 On the basis of the 'facts available', it is observed that the imports of the subject goods from "other countries " are below the de-minimis level during the period of investigation.

11.3 Contraction of demand is not apparent and no technological development in the industry or any other such factor, which could have resulted in injury to the domestic industry, has been noticed.

L.12 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 domestic industry 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 in 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 domestic industry. On the contrary, imposition of anti-dumping measures would remove the unfair advantages gained by dumping practices, would prevent the decline of the domestic industry and help maintain availability of wider choice to the consumers of Vitamin AB2D3K. Imposition of anti-dumping measures would not restrict imports from the European Union, Thailand and Singapore in any way, and therefore, would not affect the availability of the product to the consumers.
3. The authority notes that Vitamin AB2D3K premixes are being prepared in single and triple strengths. Both the premixes are finally used by mixing them into animal feed in view of achieving a concentration, which is fixed on per tonne basis. The Triple strength is nothing but the three time concentration of single strength and is being manufactured and marketed as a concentrated product.
4. The authority notes that it is not imperative for the Petitioner to produce all raw materials / inputs which go into the manufacture of the product under consideration.
5. As regards the point relating to the use of Wheat Polarid as against the Groundnut meal as the carrier in the imported subject goods, the authority notes that Vitamins are the micro amines essentially being used in animal feed in minute quantities. Individual Vitamins are mixed together with the help of diluents, which expand the product base and facilitate the milling and mixing operations. The diluents have no clinical role to play when added in the feed as generally they are inert substances. The diluents (wheat meal, soya meal, groundnut meal etc) are chosen on the basis of its availability.
6. The authority notes that Vitamin A used in the manufacturing of Vitamin AB2D3K manufactured by the Petitioner is coated as in the case of imported product.
7. To ascertain the extent of anti-dumping duty necessary to remove the injury to the domestic industry, the Authority relied upon reasonable selling price of Vitamin AB2D3K in India for the domestic industry, by considering the optimum cost of production at optimum level of capacity utilisation for the domestic industry.

8. The Authority after being satisfied accepted certain portions of the Petition as Confidential and forwarded the 'non-confidential version" of the petition to the exporters as procured from the Petitioner to enable them to have a reasonable understanding of the petition filed.
9. As regards the farmers interests / interests of the user industry is concerned, it has been noted that Vitamin AB2D3K constitutes approximately only 0.68% of the total cost of the feed.
10. It has been alleged that the manufacturers/exporters have same pricing for all the South Asian countries. However, the Authority notes that the export prices to third countries may also be dumped and may, therefore, be not reliable.
11. Since the fair selling price has been worked out on normative basis, injury to the domestic industry on account of other factors, if any, is nullified.

M. 13.LANDED VALUE

13.1 The landed value of imports is determined on the basis of export price of Vitamin AB2D3K (Single strength) and Vitamin AB2D3K (Triple strength), determined as detailed above in the para relating to dumping, after adding the prevailing level of customs duties and one per cent landing charges.

N.14CONCLUSIONS

14.1. It is seen, after considering the foregoing, that:

- a. Vitamin AB2D3K (Single strength and Triple Strength) described under Para 5 originating in or exported from European Union, Thailand and Singapore has been exported to India below Normal value, resulting in dumping;
- b. the Indian industry has suffered material injury;
- c. injury has been caused by imports from the European Union, Thailand and Singapore cumulatively.

14.2. It is considered necessary to impose anti-dumping duty, provisionally, pending final determination, on all imports of Vitamin AB2D3K (Single strength and Triple strength) originating in or exported from the European Union, Thailand and Singapore pending investigations.

14.3 It is decided to recommend the amount of anti-dumping duty equal to the margin of dumping or less, which if levied, would remove the injury to the domestic industry (clause (d) Rule 4 supra as amended). The landed price of imports was also compared with the fair selling price of the domestic industry, determined for the period of investigation. Accordingly, it is proposed that provisional anti-dumping duties be

imposed, from the date of notification to be issued in this regard by the Central Government, on Vitamin AB2D3K originating in or exported from European Union, Thailand and Singapore being cleared under Chapter 23 of the Customs Tariff Act, pending final determination. The anti-dumping duty shall be the difference between the amount mentioned in Col.3 below and the landed value of imports of the subject goods in US \$ per KG.

Vitamin AB2 D3K (Single strength)

Countries / Territory	Name of the Producers / Exporters	(US \$/ Kg.)
Thailand	M/s BASF (Thai) Ltd.	11.56
	All other Exporters	11.56
Singapore	M/s Aventis Animal Nutrition, Singapore	11.56
	All other Exporters	11.56

Vitamin AB2 D3K (Triple strength)

Countries / Territory	Name of the Producers/Exporters	(US \$/ Kg.)
European Union	All Exporters	27.74
Thailand	M/s BASF (Thai) Ltd.	27.74
	All other Exporters	27.74
Singapore	M/s Aventis Animal Nutrition, Singapore	27.74
	All other Exporters	27.74

14.4. Landed value of imports for the purpose shall be the assessable value as determined by Customs under the Customs Act, 1962 and all duties of customs except duties levied under Section 3, 3A, 8B, 9 and 9A of the Customs Tariff Act, 1975.

O. 15 FURTHER PROCEDURE

15.1 The following procedure would be followed subsequent to notifying the preliminary findings:

15.2 The Authority invites comments on these findings from all interested parties and the same would be considered in the final findings;

15.3 Exporters, importers, petitioner and other interested parties known to be concerned are being addressed separately by the Authority, who may make known their views, within forty days of the dispatch of this notification. Any other interested party may also make known its views within forty days from the date of publication of these findings.

15.4 The Authority would provide opportunity to all interested parties for oral submissions;

15.5 The Authority would disclose essential facts before announcing the final findings.

(L.V. Saptharishi)
DESIGNATED AUTHORITY