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File No. 6/32/2020-DGTR
Government of India, Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Trade Remedies)
4th Floor, Jeevan Tara Building,
5, Parliament Street, New Delhi – 110001

Dated: 4th September, 2020

INITIATION NOTIFICATION

Case No. ADD-OI-27/2020

Subject: Initiation of Anti-Dumping Investigation concerning imports of “Vitamin C” from China PR.

1. M/s. Bajaj Healthcare Limited (hereinafter also referred to as “Applicant”) has filed an application (also referred to as “petition”) seeking initiation of anti-dumping investigation concerning imports of “Vitamin C in all its form” (hereinafter also referred to as “subject goods” or “product under consideration” or “PUC”), originating in or exported from China PR (also referred to as “subject country”) before the Designated Authority (hereinafter also referred to as the “Authority”) in accordance with Customs Tariff Act, 1975 as amended from time to time (herein also referred to as the “Act”) and Customs Tariff (Identification, Assessment and Collection of Antidumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (hereinafter also referred to as the “Rules”).
2. The Applicant has alleged that material injury to the Domestic Industry is being caused due to dumped imports of subject goods from China PR, and has requested for imposition of anti- dumping duty on the imports of the subject goods from China PR.

Product under Consideration (PUC)

3. The product under consideration is “Vitamin C in all its form”, also known as ascorbic acid, L-Xyloascorbic Acid, 3-oxo L-Gulofuranolactone (enol form), L-3-Ketothreohexuronic Acid Lactone etc., as described under entry number ‘867 of Merck Index’.
4. Vitamin-C is primarily used by the pharmaceutical’s companies for production of various medicines. The product has uses also in non- pharmaceutical industry. Vitamin C is an essential nutrient involved in the repair of tissue and the enzymatic production of certain neurotransmitters found in various foods. It is required for the functioning of several enzymes and is important for immune system function. It also functions as an antioxidant.

5. The product under consideration is classified under chapter 29 of the Customs Tariff Act, 1975 (51 of 1975) under customs sub-heading no. 29362700. The customs classification is only indicative and is not binding on the scope of the product under consideration.

Like article

6. The Applicant has claimed that there is no known difference between the subject goods exported from the subject country and that produced by the domestic industry. Subject goods produced by the domestic industry and PUC imported from subject country are comparable in terms of essential product characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. Consumers use the two interchangeably. The Applicant has further claimed that the two are technically and commercially substitutable and, hence, should be treated as like article under the Rules. Therefore, for the purpose of the present investigation, the subject goods produced by the Applicant in India are being treated as 'Like Article' to the subject goods being imported from the subject country.

Domestic industry and standing

7. The Application has been filed by M/s. Bajaj Healthcare Limited. As per the information on record, the Applicant commands a major proportion of domestic production of like article. The Applicant has claimed that they have neither imported the subject goods from the subject country nor are related to any exporter or producer of subject goods in the subject country or any importer of the PUC in India. There are three other producers of the domestic like product in India, other than the applicant, i.e., M/s Amoli Organics Pvt Ltd, M/s Reckon Diagnostics Pvt. Ltd., and M/s SR Biochem. The support letters have been filed by other three producers. Hence, it is noted that the petition has been supported by the entire Indian Industry, and the Applicant along with supporters account for 100% of the Indian production.
8. In view of the above, and after due examination, the Authority notes that the Applicant constitutes eligible domestic industry in terms of Rule 2 (b), and the application satisfies the criteria of standing in terms of Rule 5(3) of the Rules supra.

Basis of Alleged Dumping

a. Normal Value of China PR

9. The Applicant has claimed that China PR should be treated as a non-market economy and the normal value should be determined in terms of paragraph-7 of Annexure I of the Rules. The Applicant has cited Para 8(2) of Annexure I of the Rules and has stated that the Chinese producers should be directed to demonstrate that market economy conditions prevail in the industry producing the subject goods in terms Para 8(3) of Annexure I of