

No.11/1/2001-DGAD
Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Anti Dumping & Allied Duties
Udyog Bhawan, New Delhi-110011

INITIATION NOTIFICATION

7th February 2001

Subject: Initiation of anti-dumping investigation concerning import of Phosphoric Acid (Technical grade) originating in or exported from People's Republic of China.

No.11/1/2001-DGAD - M/s. Gujarat Alkalies & Chemicals Limited, Baroda and M/s. Bilt Chemicals Limited, Secundrabad, have filed a petition for initiation of anti dumping investigation concerning the import of Phosphoric Acid (Technical grade) from the People's Republic of China 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. Gujarat Alkalies & Chemicals Limited, Baroda and M/s. Bilt Chemicals Limited, Secundrabad on behalf of the domestic industry. The petitioners are the only domestic producers of Phosphoric Acid (Technical grade) in the country and therefore have a standing to file the petition on behalf of domestic industry under the Rules above said.
3. **Product Under Consideration:** The product involved is "Phosphoric Acid (Technical grade)" falling under Chapter 28 of Schedule I of Custom Tariff Act relating to 'inorganic chemicals'. Custom sub-heading 2809.20 relates to Phosphoric Acid but includes all grades of Phosphoric Acid. However, it is only the technical grade of Phosphoric Acid which is the subject matter of the present investigation. The technical grade of Phosphoric Acid has a purity level of 85% or above and is used for the production of sodium phosphate, calcium phosphate, magnesium phosphate, ammonium phosphate, etc. Though Phosphoric Acid is produced in various grades, however, it is only the technical grade which is the subject matter of this petition. Other grades of Phosphoric Acid which have lower purity level are not the subject matter of present investigation. Further, the custom classification is only indicative and not binding on the scope of present investigation.

4. **Country involved:** The petitioners have provided evidence of dumping of the product under consideration from PR China (hereinafter referred to as subject country) and have requested for initiation of investigation against this country.
5. **Like Article:** The petitioners have claimed that the goods produced by them are 'like article' to the goods originating in or exported from the subject country. Therefore, for the purpose of investigation, the goods produced by the petitioners are being treated as 'like articles' of Phosphoric Acid (Technical grade) (hereinafter referred to as subject goods) imported from the subject country within the meaning of the Rules.
6. **Normal Value:** The petitioner has claimed normal value based on the constructed cost of production of the subject goods. Sufficient evidence has been presented to the Designated Authority with regard to the normal value of subject goods in subject country.
7. **Export Price:** The export price has been claimed on the basis of the data compiled from secondary sources based on Customs Daily Lists. 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 subject country.
8. **Dumping Margin:** There is sufficient *prima facie* evidence that the normal value of the subject goods in the subject country is significantly higher than the net export price indicating *prima facie* that the subject goods are being dumped by the exporters from the subject country.
9. **Injury and Causal Link:** Because of the dumped imports at low prices of the subject goods the sales realisation to the domestic industry has been quite low and significantly below the fair selling prices resulting in losses on the sale of subject goods. Further, there has been a fall in the capacity utilisation of the domestic industry owing to increased volume of imports reducing the share of domestic industry in the market. There is sufficient *prima facie* evidence before the Designated Authority that the domestic industry has suffered material injury caused by dumped imports of subject goods from subject country.
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 country.
11. The period of investigation for the purpose of present investigations is 1st April 2000 to 31st December 2000 (9 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-110011

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.

L.V. Satharishi
Designated Authority