

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

\*\*\*\*\*

Dated the 5th November , 2009

**Initiation Notification**

**Sub: Initiation of Anti-Dumping Investigation concerning imports of Sodium Tripoly Phosphate (STPP) originating in or exported from China PR.**

**No. 14/25/2009-DGAD** - Whereas M/s Tata Chemicals Ltd (TCL), Mumbai (herein after referred to as applicant) have filed an application before the Designated Authority (hereinafter referred to as the Authority), in accordance with the Customs Tariff Act, 1975, as amended from time to time (hereinafter referred to as the Act) and Customs Tariff (Identification, Assessment and Collection of Anti Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (hereinafter referred to as the Rules), alleging dumping of Sodium Tripoly Phosphate (hereinafter referred to as subject goods), originating in or exported from China PR, (hereinafter referred to as “subject country”) and requested for initiation of Anti-Dumping investigations for levy of anti dumping duties on the subject goods.

**PRODUCT UNDER CONSIDERATION**

2. The product under consideration is “Sodium Tripoly Phosphate” (STPP), having chemical formula  $\text{Na}_5\text{P}_3\text{O}_{10}$ . It is a polyphosphate of sodium or sodium [salt](#) of [triphosphoric acid](#). Broadly there are two grades of STPP viz., Technical Grade and Food Grade. There are various technical grades of STPP – Regular, Medium Temperature Rise, High Temperature Rise, Granular and Hydrated. STPP is a solid inorganic compound used in a large variety of household cleaning products, mainly as a builder, but also in human foodstuffs, animal feeds,

industrial cleaning processes and ceramics manufacture. The product under consideration is classified under Chapter 28 of the Customs Tariff Act, 1975 under subheading 2835.3100. However, Customs classification is indicative only and not binding on the scope of the present investigation. The present investigation covers all grades and types of STPP.

### **DOMESTIC INDUSTRY AND STANDING**

3. The Application has been filed by M/s Tata Chemicals Ltd., Mumbai on behalf of the domestic industry. The applicant has provided injury and costing information for the purpose of initiation of investigation. As per the evidence available on record, production of applicant along with supporter accounts for a major proportion of the total domestic production. Petition thus satisfies the requirements of Rule 2(b) and Rule 5(3) of Anti Dumping Rules.

### **COUNTRY INVOLVED**

4. The country involved in the present investigation is China PR .

### **LIKE ARTICLE**

5. Applicant has claimed that there is no significant difference in the Sodium Tripoly Phosphate produced by the domestic industry and exported from subject country. Both products are comparable in terms of characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. Both the products are technically and commercially substitutable and hold closely resembling characteristics. It is further claimed that the consumers have used the two interchangeably. Therefore, for the purpose of present investigation, subject goods produced by the applicant are being treated as "Like Article" to the subject goods imported from subject country within the meaning of the Anti Dumping Rules.

### **NORMAL VALUE**

6. The applicant has claimed that China PR should be treated as Non Market Economy and therefore the Normal value should be determined in accordance with Para 7 and 8 of Annexure-I of the Anti-Dumping Rules. The

applicant has submitted that they have not been able to get the sufficient information regarding market economy third country for determination of Normal value in case of China PR. Thus, the applicant has claimed the Normal value on the basis of constructed cost of production, including selling, general and administrative expenses and profits.

### **EXPORT PRICE**

7. Export price of the subject goods from the subject country has been estimated by considering transaction-wise import data collected from Secondary Sources. Adjustments have been made on account of ocean freight, marine insurance, inland freight, port expenses and bank commission to arrive at ex-factory export price.

### **DUMPING MARGIN**

8. Normal value and export price have been compared at ex-factory level, which shows significant dumping margin in respect of the subject country. There is sufficient prima facie evidence that the normal value of the subject goods in China PR is significantly higher than the ex-factory export price, indicating, prima facie, that the subject goods are being dumped into the Indian market by exporters from the subject country. The dumping margin is estimated to be above *de minimis*.

### **INJURY AND CAUSAL LINK**

9. The applicant has furnished information regarding volume and value of dumped imports from the subject country and various parameters relating to material injury to the domestic industry, analysis of which shows that imports from China PR have significantly increased in absolute terms as also in relation to production and consumption in India. Various economic parameters relating to the domestic industry shows that loss in absolute term increased during the injury period and production, sales, return on investment and cash flow declined over the injury period. Capacity utilization decreased during POI in comparison to base year and the same remains at very low level signifying, prima facie, that domestic industry has suffered material injury from dumped imports.

### **INITIATION OF ANTI DUMPING INVESTIGATIONS**

10. In view of the above the Authority finds that sufficient prima facie evidence of dumping of the subject goods from the subject country , injury to the domestic industry and causal link between the dumping and injury exist and therefore the Authority , in terms of Rule 5 of the Anti Dumping Rules hereby initiates an investigation into the alleged dumping and consequent injury to the domestic industry, to determine the existence , degree and effect of any alleged dumping and recommend the amount of anti dumping duty , which, if levied , would be adequate to remove the injury to the domestic industry .

### **PERIOD OF INVESTIGATION (POI)**

11. The period of Investigation for the purpose of the present investigation is 1<sup>st</sup> April 2008 to 31<sup>st</sup> March 2009 (12 months). The injury investigation period will, however, cover the period 2005-06, 2006-07 and 2007-08 and the POI.

### **RETROSPECTIVE IMPOSITION OF DUTY**

12. Applicant under Section 9A(3) has requested for imposition of anti-dumping duties on retrospective basis on the ground that there is history of dumping and injury to the domestic industry. It has also been stated that there is massive decline in import prices in a relatively short period and there is massive decline in selling price of the domestic industry disproportionate to decline in input costs. The interested parties may make their submissions in this regard.

### **SUBMISSION OF INFORMATION**

13. The known exporters in the subject country, Government through the Embassy, importers in India known to be concerned with this investigation and the domestic industry are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Designated Authority at the following address:

**The Designated Authority  
Ministry of Commerce & Industry,  
Department of Commerce,**

**Directorate General of Anti Dumping & Allied Duties,  
Room No. 240, Udyog Bhawan,  
New Delhi – 110107.**

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.

**TIME LIMIT**

14. 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 40 (forty) 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 forty days from the date of the letter addressed to them separately. If no information is received within the prescribed time limit or the submitted information is incomplete, the Designated Authority may record its findings on the basis of the facts available on record in accordance with the Rules. It may be noted that no request, whatsoever, shall be entertained for extension in the prescribed time limit.

**SUBMISSION OF INFORMATION ON NON-CONFIDENTIAL BASIS**

15. In terms of Rule 7 of the Rules, the interested parties are required to submit non-confidential version of any confidential information provided to the Authority along with the reasons for claiming confidentiality. The non-confidential version or non-confidential summary of the confidential information should be in sufficient detail to provide a meaningful understanding of the information to the other interested parties. If in the opinion of the party providing such information, such information is not susceptible to summarization, a statement of reason thereof, is required to be provided.

Notwithstanding anything contained in para above, if the Authority is satisfied that the request for confidentiality is not warranted or the supplier of the information either unwilling to make the information public or to authorize its disclosure in a generalized or summary form, it may disregard such information.

## **INSPECTION OF PUBLIC FILE**

16. In terms of Rule 6(7), the Designated Authority maintains a public file. Any interested party may inspect the public file containing non-confidential version of the evidence submitted by the interested parties.

## **USE OF 'FACTS AVAILABLE'**

17. 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.

**R. Gopalan**  
**Designated Authority**