

F. No.15/18/2016-DGAD
Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Anti-dumping and Allied Duties

New Delhi, 02nd January, 2017

Office Memorandum

Subject: Sun Set Review (SSR) investigation for imports of Phosphoric Acid of all grades and all concentration (excluding Agriculture/fertilizer Grade) originating in or exported from Israel and Taiwan filed by Gujarat Alkalies & Chemicals Ltd and Grasim Industries Ltd (Chemical Division)

Reference: i) Application dated 14th Nov., 2016 read with subsequent application dated 02nd Dec., 2016 filed by the Petitioner.

Application(s) referred to above were filed by Gujarat Alkalies & Chemicals Ltd and Grasim Industries Ltd (Chemical Division) (hereinafter referred to as the petitioner) for initiation of Sun Set Review (SSR) investigations and continuation of existing Anti-Dumping Duties on import of Phosphoric Acid (hereinafter referred to as subject goods or products under consideration (PUC) from Israel and Taiwan (hereinafter referred to as subject country).

2. The Application was examined based on the details given in the application as well as import data from IBIS, Mumbai as secondary source in order to examine the volume of imports of PUC during the period of investigation (POI) and injury investigation period. .

3. The imports of PUC are presently subject to Anti Dumping Duty (ADD) following investigation and Final Findings by the Designated Authority and duty imposition order of the Department of Revenue as per the following details.

	Event	Date	Particulars
Original Investigation:			
	Initiation 14/44/2010-DGAD	04 th Feb., 2011	Phosphoric Acid of all grades and all concentrations (excluding Agriculture/Fertilizer Grade)' originating in or exported from Israel and Taiwan
	Investigation period	1st April 2009 to 30th June 2010	
	Preliminary findings	25 th Oct., 2011	Duty Amount, US\$ 116.25 to 260.26 per MT

	Customs notification of interim duties (04/2012-CUS)	13 th January, 2012	Duty Amount, US\$ 116.25 to 260.26 per MT
	Final findings	2 nd February, 2012	Duty Amount, US\$ 116.45 to 194.51 per MT
	Customs notification of final findings (19/2012-CUS)	4 th April, 2012	Duty Amount, US\$ 116.45 to 194.51 per MT
Sunset Review Investigation:			
	Period of Investigation	April 2015 to June 2016 (15 months)	
	Injury Period	2012-13, 2013-14, 2014-15 and the proposed POI	

4. In the Final Findings and the subsequent Notification(s) by the Department of Revenue imposing the duty, the PUC was defined as, 'Phosphoric Acid of all grades and all concentration (excluding Agricultural/Fertilizer Grades)'. Phosphoric Acid is an inorganic chemical used for the production of sodium phosphate, calcium phosphate, magnesium phosphate, ammonium phosphate, etc. the subject goods are also being used in pharmaceutical applications, beverages, seed processing, sugar processing, sugar juice clarification and sugar refining, food phosphate manufacturing etc. It is classified under sub heading no. 28092010 in the Customs Tariff Act thereof.

5. The Authority notes that since present review investigation is for the SSR for continuing imposition of Anti Dumping Duty, the PUC has to be taken as same, as in the first original application.

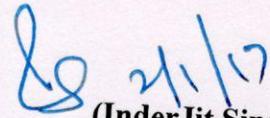
6. As regards Israel, the Petition inter-alia states that there are no known imports of PUC from Israel during the proposed period of investigation. However, there is likelihood of reoccurrence of dumping from Israel in case of cessation of anti-dumping duty. But the claim of likelihood of dumping causing injury has not been substantiated with facts. However, petitioner has claimed dumping during the POI from Taiwan based on IBIS import data from secondary source and transaction wise imports information from secondary source i.e. IBIS, Mumbai.

7. Based on the detailed examination of the petition, it has been observed that domestic industry has not filed supporting document with regard to cost and it is also inferred from the prima facie data made available to the authority that industry has improved significantly during the last 4 years due to anti-dumping duty in place. Domestic Industry is operating at the capacity utilization at 102% so demand gap is being supplied from different sources and it could not be ascertained in absence of database whether the same grades are being imported in the domestic market. In general, both the volume and price parameters are showing very healthy sign and

growth and in absence of sufficient data in support of likelihood parameters, assumption of likelihood injury doesn't ~~seem to be~~ appear to be correct.

8. Based on the above, it is seen that now dumping is not causing injury to the Domestic Industry in view of the Anti-Dumping duty in place. The AD duty has helped the Domestic Industry to improve their position on various parameters. In view of the above, the domestic industry does not seem to have been impacted by the volume injury as they are operating at 102% and during this period they have improved significantly in price parameters also. It is also inferred in view of the above position where both the volume and price parameters are showing significant growth, the question of assumption of likelihood of dumping causing injury does not appear to be realistic. Thus, it does not appear necessary to initiate the Sunset Review concerning imports of Phosphoric Acid from Israel & Taiwan.

However, Domestic Industry is free to file application for fresh investigation anytime if in future dumping per-se cause injury to the Domestic Industry


(InderJit Singh)
AS & DA

To: M/s TPM Consultants,
K-3/A, Saket , New Delhi-110017
(Counsel for Applicants)

Cc: M/s Gujarat Alkalies & Chemicals Ltd,
PO Petrochemicals,
District Baroda, Gujarat – 391346
(Applicants)

Cc: M/s Grasim Industries Ltd,
Karwar Chemical Division,
P.O. Binaga – 581307
Karwar, Uttarkanada, Karnatka
(Applicants)

Cc : Department of Revenue, TRU, GOI

Cc: All other Interested Parties

Cc: Web site of DGAD