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**F. No. 6/52/2025 -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**

INITIATION NOTIFICATION

Case No. AD (OI)-47/2025

Dated: 29th September, 2025

Subject: Initiation of Anti-dumping investigation concerning imports of Certain Organophosphonates – Phosphonic Acids viz., (I) HEDP Acid and (II) ATMP Acid originating in or exported from China PR.

1. F. No. 6/52/2025-DGTR – An application has been filed by Aquapharm Chemical Limited and Excel Industries Limited (hereinafter referred to as ‘applicants’) 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 as the ‘Act’) and the Customs Tariff (Identification, Assessment, and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended from time to time (hereinafter referred to as the ‘Rules’), for initiation of an anti-dumping investigation and the imposition of anti-dumping duty concerning imports of Certain Organophosphonates – Phosphonic Acids viz., HEDP acid, ATMP acid and DTPMPA acid in all their physical form and concentrations, originating in or exported from China PR (hereinafter referred to as the ‘subject country’).
2. The applicants have alleged that dumping of each of the subject goods, namely HEDP Acid, ATMP Acid and DTPMPA Acid, originating in or exported from the subject country has caused material injury to the domestic industry in India. Accordingly, the applicants have requested for imposition of anti-dumping duty on imports of Certain Organophosphonates – Phosphonic Acids viz., HEDP acid, ATMP acid and DTPMPA acid from China PR. However, based on the prima facie examination of the information submitted, the Authority has noted that the domestic industry has not suffered injury due to dumping of DTPMPA acid. Therefore the Authority is not initiating the anti-dumping investigation with respect to imports of DTPMPA Acid from China PR. The proposed investigation would be limited to imports of Certain Organophosphonates – Phosphonic

Acids viz., (I) HEDP Acid and (II) ATMP Acid (hereinafter referred to as 'product under consideration' or 'subject goods'), originating in or exported from China PR.

A. PRODUCT UNDER CONSIDERATION

3. The product under consideration in the present investigation is "Certain Organophosphonates – Phosphonic Acids" viz. HEDP acid and ATMP acid, in all their physical form and concentrations, excluding salts, formulations and derivatives thereof.

I. HEDP Acid

HEDP acid or Etidronic acid, is a clear colourless to pale yellow acid. Its chemical name is 1-Hydroxy Ethylidene-1, 1-Diphosphonic Acid, its chemical formula is $C_2H_8O_7P_2$ and the CAS number for the product is 2809-21-4. It is also known as Hydroxyethylidene-1,1-diphosphonicacid, 1-Hydroxyethylidenediphosphonic Acid and Hydroxyethylidene Diphosphonic acid. The product is available in different forms such as aqueous and crystals, as well as in different concentrations. However, the product is largely imported and sold in the concentration of 60%. It is produced by reacting Phosphorus Trichloride with Acetic Acid. It has various applications including detergents, water treatment, oilfield, textile, paper, personal care, RO membrane and thermal desalination anti-scalant.

II. ATMP Acid

ATMP Acid or Aminotrimethylene phosphonic acid has colourless to pale yellow appearance. Its chemical formula is $N(CH_2PO_3H_2)_3$ and its CAS number 6419-19-8. It is also known as Amino Tri(Methylene Phosphonic Acid) and Tris(Methylene Phosphonic Acid) Amine. The product is available as an aqueous solution and in different concentrations. It is produced by reacting Phosphorus Trichloride with Ammonia or Ammonium salt and Formaldehyde. It is used in various chemical formulations for industrial water treatment, oilfield, industrial cleaners, paper & pulp, textile industry, metal treatment, electroplating, inks and construction chemicals as a scale inhibitor and a complexing agent.

Unit of measurement

4. The product under consideration is produced and sold in terms of weight expressed in MT.

Tariff classification

5. The subject goods i.e HEDP acid and ATMP acid are classified under Chapter 29 of Schedule 1 to the Customs Tariff Act, 1975. However, the goods are also imported under Chapter 38 of Schedule I to the Customs Tariff Act, 1975. The subject goods are imported under tariff items 2918 2910, 2922 1990, 2931 4990, 2931 5900, 2931 9019, 2931 9090,

2942 0090, 3809 9200 and 3824 9900. The customs classification is only indicative and is not binding on the scope of the product under consideration.

6. The applicants have not proposed any PCN methodology at the present stage. The parties to the present investigation may provide their comments on the scope of the product under consideration and propose PCNs (with justification), if any, within thirty (30) days from the date of initiation of this investigation.

B. LIKE ARTICLE

7. The applicants have claimed that there are no known differences in the HEDP acid and ATMP acid produced by the domestic industry and the product under consideration produced and exported from the subject countries. Each of the subject products produced by the domestic industry have comparable characteristics to each of the subject products imported from the subject country in terms of technical specifications, physical and chemical characteristics, manufacturing process and technology, functions and uses, pricing, distribution and marketing and tariff classification. Further, each of the imported products are technically and commercially substitutable with each of the products produced by the domestic industry and the customers are using the subject goods and like article interchangeably. Therefore, for the purpose of initiation of the present investigation, HEDP Acid and ATMP Acid produced by the applicants have been considered as 'like article' to each of the subject good imported from the subject country.

C. DOMESTIC INDUSTRY AND STANDING

8. The application has been filed by Aquapharm Chemical Limited and Excel Industries Limited. The applicants have claimed that there are no other domestic producers of the subject goods in India and thus, the applicants account for 100% of the production of HEDP Acid and ATMP Acid in India.
9. The applicants have stated that they are not related to any exporter of the subject goods in the subject country or importer of the subject goods in India.
10. The applicants have also claimed that they have not imported the subject goods during the period of investigation. The applicants have submitted that one of the applicants, Aquapharm Chemical Limited, had imported the subject goods during the injury period. However, the applicant has not imported the subject goods during the period of investigation.
11. In view of the same, it is noted that the applicants *prima facie* constitutes the domestic industry in terms of Rule 2(b) of the Rules for HEDP acid and ATMP acid, and the application *prima facie* satisfies the criteria of standing in terms of Rule 5(3) of the Rules.

D. SUBJECT COUNTRY

12. The subject country for the present investigation is China PR.

E. PERIOD OF INVESTIGATION

13. The period of investigation for the investigation is 1st April 2024 to 31st March 2025 (12 months). Accordingly, the injury investigation period will cover the period 1st April 2021 to 31st March 2022, 1st April 2022 to 31st March 2023, 1st April 2023 to 31st March 2024 and the period of investigation.

F. BASIS FOR ALLEGED DUMPING

Normal value

14. The applicant has claimed that in terms of Article 15(a) (i) of China's Accession Protocol and Para 7 of Annexure-I to the Anti-Dumping Rules, 1995, the normal value for Chinese producers may be determined based on the cost or domestic selling price prevailing in China PR, only if the responding Chinese producers demonstrate that their cost and price information are based on market driven principles and allow for fair comparison in terms of paras 1 to 6 of Annexure-I to the AD Rules, failing which, normal value for Chinese producers must be determined based on paras 7 and 8 of Annexure-I to the Rules.
15. The applicant has also claimed that the data relating to cost or price in market economy third country or recourse to other alternative methods for HEDP acid and ATMP acid are not available. The normal value has been, thereby, determined considering the price payable in India, based on the best estimates of the cost of production of the domestic industry after duly adjusting the selling, general and administrative expenses, with reasonable profits.

Export price

16. The export price for the HEDP acid and ATMP acid has been computed based on the DGCI &S transaction-wise import data. Appropriate price adjustments have been claimed to make prices at ex-factory levels so that they become comparable with normal value.

Dumping margin

17. The normal value and export price of HEDP Acid and ATMP Acid have been compared at the ex-factory level, which *prima facie* shows that the dumping margin is above de-minimis level and is significant in respect of the product under consideration imported from the subject country. Thus, there is *prima facie* evidence that HEDP Acid and ATMP

Acid imported from the subject country are being dumped by the exporters in the Indian market.

G. INJURY AND CAUSAL LINK

18. Information furnished by the applicants has been considered for assessment of injury to the domestic industry. The applicants have provided *prima facie* evidence establishing that dumping of the product under consideration have caused injury to the domestic industry, as is noted hereinbelow.

HEDP Acid

19. Information furnished by the applicant has been considered for assessment of injury to the domestic industry. The applicant has furnished *prima facie* evidence establishing that the imports have caused material injury to the domestic industry. The dumping margin is more than de minimis. Further, it has been claimed that the domestic industry reduced its prices below its costs in order to compete with such imports and there was a stiff price competition in the market. This has adversely impacted the profitability of the domestic industry and it suffered losses and cash losses. The domestic industry was not able to earn sufficient returns on the investments made and it earned negative returns on its investment.

ATMP Acid

20. Information furnished by the applicant has been considered for assessment of injury to the domestic industry. The applicant has furnished *prima facie* evidence establishing that the imports have caused material injury to the domestic industry. The dumping margin is more than de minimis and is significant. The subject imports were undercutting the prices of the domestic industry during the period of investigation. This created a strain on the prices of the domestic industry. The domestic industry suffered losses, and cash losses. The domestic industry was not able to earn sufficient returns on the investments made and it earned negative returns on its investment.
21. Therefore, there is sufficient *prima facie* evidence that the domestic industry suffered injury due to dumping of Phosphonic Acids viz., HEDP Acid and ATMP Acid from the subject country.

H. INITIATION OF ANTI-DUMPING INVESTIGATION

22. On the basis of the duly substantiated application filed by or on behalf of the domestic industry, and having satisfied itself, on the basis of the *prima facie* evidence submitted by the applicants, substantiating dumping of Phosphonic Acids viz., HEDP Acid and ATMP Acid from the subject country, injury to the domestic industry and a causal link between such dumping and injury, and in accordance with Section 9A of the Act read

with Rule 5 of the Rules, the Authority, hereby, initiates an investigation to determine the existence, degree, and effect of the dumping with respect of the product under consideration originating in or exported from the subject country and to recommend the appropriate amount of anti-dumping duty, which if levied, would be adequate to remove the injury to the domestic industry.

I. PROCEDURE

23. The principles as given in Rule 6 of the Rules will be followed in the present investigation.

J. SUBMISSION OF INFORMATION

24. All communication should be sent to the Authority via email at email addresses dd19-dgtr@gov.in and ds2-dgtr@gov.in, with a copy to adv11-dgtr@gov.in and consultan-dgtr@govcontractor.in. It should be ensured that the narrative part of the submission is in searchable PDF/MS-Word format and data files are in MS-Excel format.
25. The known producers/exporters in the subject country, the government of the subject country through its embassy in India, and the importers and users in India who are known to be associated with each of the subject goods are being informed separately to enable them to file all the relevant information within the time limits set out below. All such information must be filed in the form and manner as prescribed by this initiation notification, the Rules, and the applicable trade notices issued by the Authority.
26. Any other interested party may also make a submission relevant to the present investigation in the form and manner as prescribed by this initiation notification, the Rules, and the applicable trade notices issued by the Authority within the time limits mentioned in this initiation notification.
27. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other interested parties.
28. Interested parties are further advised to regularly visit the official website of the Directorate General of Trade Remedies (<https://www.dgtr.gov.in>) for any updated information as well as further processes related to the investigation.

K. TIME LIMIT

29. Any information/submission relating to the present investigation should be sent to the Authority via email at email addresses dd19-dgtr@gov.in and ds2-dgtr@gov.in, with a copy to adv11-dgtr@gov.in and consultan-dgtr@govcontractor.in, within thirty (30) days

from the date of receipt of this notice as per Rule 6(4) of the Rules. It may, however, be noted that in terms of explanation of the said Rule, the notice calling for information and other documents shall be deemed to have been received within one week from the date on which it was sent by the Designated Authority or transmitted to the appropriate diplomatic representative of the subject country. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record its findings based on the facts available on record and in accordance with the Rules.

30. All interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses within the above time limit.

L. SUBMISSION OF INFORMATION ON CONFIDENTIAL BASIS

31. Where any party makes any confidential submissions or provides information on a confidential basis before the Authority, such party is required to simultaneously submit a non-confidential version of such information in terms of Rule 7(2) of the Rules and in accordance with the relevant trade notices issued by the Authority in this regard. Failure to adhere to the same may lead to rejection of the response / submissions.
32. Such submissions must be clearly marked as "confidential" or "non-confidential" at the top of each page. Any submission that has been made to the Authority without such markings shall be treated as "non-confidential" information by the Authority, and the Authority shall be at liberty to allow other interested parties to inspect such submissions.
33. The confidential version shall contain all information which is, by nature, confidential, and/or other information, which the supplier of such information claims as confidential. For the information which is claimed to be confidential by nature, or the information on which confidentiality is claimed because of other reasons, the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed.
34. The non-confidential version of the information filed by the interested parties should be a replica of the confidential version with the confidential information preferably indexed or blanked out (where indexation is not possible) and such information must be appropriately and adequately summarized depending upon the information on which confidentiality is claimed.
35. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on a confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of

reasons containing a sufficient and adequate explanation in terms of Rule 7 of the Rules, and appropriate trade notices issued by the Authority, as to why such summarization is not possible, must be provided to the satisfaction of the Authority.

36. Other interested parties can offer their comments on the issues of confidentiality claimed in the submissions by an interested party within seven (7) days from the date of circulation of the non-confidential version of the submission.
37. Any submission made without a meaningful non-confidential version thereof or a sufficient and adequate cause statement in terms of Rule 7 of the Rules, and appropriate trade notices issued by the Authority, on the confidentiality claim shall not be taken on record by the Authority.
38. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or if the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.
39. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorisation of the party providing such information.

M. INSPECTION OF PUBLIC FILE

40. A list of registered interested parties will be uploaded on the DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions to all other interested parties. Failure to circulate non-confidential version of submissions might lead to consideration of an interested part as non-cooperative.

N. NON-COOPERATION

41. In case any interested party refuses access to, or otherwise does not provide necessary information within a reasonable period or within the time stipulated by the Authority in this initiation notification, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative, record its findings based on the facts available and make such recommendations to the Central Government as it deems fit.

(Siddharth Mahajan)
Designated Authority