



February 23, 2012

Director Operations 2  
International Trade Remedies branch  
Australian Customs and Border Protection Service  
Customs House, 5 Constitution Ave.,  
CANBERRA ACT 2601

**Dear Sir or Madam,**

United Phosphorus Limited ("UPL") is a multinational organization whose head office is based in India and was established in Australia in 1994. We are basic manufacturers of agrochemicals with an annual turnover of AUD\$ 1.5 billion and are ranked third amongst the generic agrochemical organisations in the world. Through acquisitions, UPL has built a global network of fully owned subsidiaries and multiple manufacturing sites in France, Netherlands, UK and India. UPL recognizes the requirement for the highest level of support in product research, development and registration which is greatly assisted by our access to the internationally recognized Jai Research Foundation which is GLP accredited.

Regarding the alleged dumping of glyphosate, we believe the problem lies with the different quality standards adopted by different organisations. Some organisations manufacture the product locally from technical glyphosate sourced from overseas while other organisations import the fully formulated product from China. Some imports from China are from Chinese traders who source technical glyphosate from sources which are not registered with the APVMA and hence supply the Australian customers finished product which is unregistered and contains cheaper Chinese surfactant, Alkyl Polysaccharide Glucoside or APG. The best quality of surfactant is Terwet 3780 produced by Huntsman. Huntsman surfactant is dearer and hence the product cost is higher by 25 - 50 cents / L. This is the main reason why prices vary in the market. Organisations who follow strict standards and adhere to APVMA registered formulations find it difficult to compete with the cheaper grade available.

It is fair to say that in a product like glyphosate 450 it is difficult to make 10% margin. However, due to the availability of the cheaper product, this margin is now eroded. Current costing for the UPL product allows for 9% net margin. We are compelled to sell at this price in order to be competitive with the alternate lower grade product available at the same price.

The fundamental problem lies with the finished goods with low grade surfactant entering Australia. We do not believe there are sufficient checks to ascertain that the imported product conforms to the product specifications and recipe registered with the APVMA.

PUBLIC  
FILE 42



UPL is of the opinion that imposing an import duty will not solve the problem of price variance. Duty will encourage the importation of cheaper grade of product. We suggest this problem can be avoided by strict import checks on arrival in Australia. Products need to be analyzed to confirm ingredients are as per the formulation submitted to the APVMA.

We submit that UPL should not be subject to any antidumping duty as we have not supplied product other than the formulation registered with APVMA. To this effect we are attaching a couple of Purchase Orders and Invoices for the last few years. These documents may be treated in confidence.

Please feel free to contact the undersigned for any further information.

Regards

A handwritten signature in black ink, appearing to read 'Chander Yarrapotu', written in a cursive style.

Chander Yarrapotu  
Director ROW