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F. No. 7/16/2025 - 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

Dated: 27th September 2025

#### INITIATION NOTIFICATION

CASE No. AD (SSR)- 09/2025

<u>Subject: Initiation of sunset review anti-dumping investigation concerning imports of "Normal Butanol" or "N-BUTYLALCOHOL" originating in or exported from Malaysia, South Africa and United States of America.</u>

- 1. F. No. 7/16/2025 -DGTR: Having regards to 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'), The Andhra Petrochemicals Limited (hereinafter referred to as the 'applicant') has filed an application before the Designated Authority (hereinafter referred to as the 'Authority'), for initiation of the sunset review investigation of antidumping duty on imports of 'Normal Butanol' also known as 'N-Butyl Alcohol' (hereinafter also referred to as "subject goods" or "product under consideration or "NBA"), originating in or exported from European Union, Malaysia, Singapore, South Africa and United States of America.
- 2. In terms of Section 9A (5) of the Act, the anti-dumping duty imposed shall, unless revoked earlier, cease to have effect on expiry of five years from the date of such imposition, and the Authority is required to review whether the expiry of duty is likely to lead to continuation or recurrence of dumping and injury. In accordance with the same, the Authority is required to review, on the basis of a duly substantiated request made by or on behalf of the domestic industry as to whether the expiry of duty is likely to lead to continuation or recurrence of dumping and injury.

### A. Background of previous investigation.

3. The original anti-dumping investigation concerning imports of subject goods from subject countries was initiated by the Authority on 20th November 2014. After thorough investigation by the Authority, it was concluded that the product under consideration was

being dumped from the subject countries in the Indian market and was causing material injury to the domestic industry. Consequently, the Authority recommended imposition of anti-dumping duty. Subsequently, the Ministry of Finance imposed anti-dumping measures vide notification No.13/2016-Customs (ADD) dated 13th April 2016.

- 4. The Authority initiated first sunset review investigations dated 31st August 2020. After thorough investigation, the Authority vide notification F. No. 7/29/2020-DGTR dated 30th March 2021, recommended continuation of anti-dumping measures. The Ministry of Finance accepted the recommendation vide notification no. 21/2021- Customs (ADD) dated 12th April 2021.
- 5. The aforesaid duties are presently in force till 12th April 2026. Thus, the present application is being filed for initiation of second sunset review investigation, to examine the need for continuation of the existing anti-dumping duty.

## B. Product under consideration (PUC).

6. The product under consideration in the present investigation is same as defined in the original investigation which is as follows:

"The product under consideration is Normal Butanol. Normal Butanol is a primary alcohol with a 4-carbon structure and molecular formula C4H9OH. Normal Butanol is an excellent solvent for acid-curable lacquers and baking finishes derived from urea, melamine or phenolic resins. A large part of N-Butanol is converted into derivatives for use as solvents in coating industries and printing inks. Normal Butanol also finds application as extractant in production of drugs and natural substances, additive in polishes and cleaners, solubilizer in the textile industry, additive in deicing fluids, anticing additive in gasoline, humectant for cellulose nitrate, feedstock in the production of glycol ethers and floatation aids (Butyl Xanthate) and as starting material for the production of Butyl mono Carboxylates, Butyl Acetate, Butyl butyrate."

The product under consideration is classified under Chapter 29 of the Customs Tariff Act, 1975 under sub-heading 2905. The product under consideration is imported under 29051300. The customs classification is only indicative and is not binding on the scope of the product under consideration.".

7. Since the present application is for sunset review, the scope of the product under consideration remains the same as defined in the previous finding.

### C. Like article.

8. The applicant has claimed that there is no significant difference in the goods produced by the domestic industry and the one exported from the subject countries. The product produced by the applicant and imported from the subject countries are comparable in

terms of characteristics such as physical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing, and tariff classification of the goods. The two are technically and commercially substitutable and are used by consumers interchangeably. The present application is for sunset review investigation for the continued imposition of antidumping duty. The issue of like article has already been examined by the Authority in the original investigation as well. The product produced by the domestic industry is like article to the product under consideration produced and imported from the subject countries.

### D. Domestic industry and standing.

- 9. The application has been filed by Andhra Petrochemicals Limited. Apart from the applicant, there is one other producer of the product under consideration in India namely Bharat Petroleum Corporation Limited (BPCL). The applicant has claimed that in the previous investigation, the applicant was the sole producer of the subject goods in India. In 2021 BPCL commenced its production of the subject goods in India. The other producer has neither opposed nor supported the application.
- 10. In view of the same, and based on information available on record, the Authority is satisfied that the applicant constitutes domestic industry within the meaning of Rule 2(b). The application satisfies the requirements of standing in terms of Rule 5(3).

# E. Subject countries.

11. The subject countries in the present investigation are Malaysia, South Africa and United States of America (hereinafter referred to as the "subject countries"). Investigations are not being initiated against EU and Singapore as there are no imports of subject goods from these two countries, and there is no prima facie evidence with regard to likelihood of continuation/recurrence of dumping and injury.

#### F. Period of investigation.

12. The period of investigation (POI) for the investigation is from 1<sup>st</sup> April 2024 – 31<sup>st</sup> March 2025 (12 months). The injury examination period is 1<sup>st</sup> April 2021 – 31<sup>st</sup> March 2022, 1<sup>st</sup> April 2022 – 31<sup>st</sup> March 2023, 1<sup>st</sup> April 2023 – 31<sup>st</sup> March 2024 and the period of investigation.

### G. Basis of alleged dumping.

## i. Normal value.

13. Under Section 9A (1)(c), the law permits normal value to be determined based on domestic prices, third-country export prices, or cost of production plus expenses and profits. The applicant has claimed normal value based on the cost of production in India based on best estimates of the cost of the production with reasonable addition for selling,

general & administrative expenses and reasonable profit margins. For the purpose of initiation, the Authority has considered the constructed normal value based on cost of production in India.

#### ii. Export price

14. The export price of the product under consideration has been determined by considering the CIF price of the product under consideration as reported in DGCI&S transaction wise import data. Adjustments have been claimed for ocean freight, marine insurance, commission, bank charges, port expenses credit costs and inland freight expenses.

#### iii. Dumping margin

15. The normal value and the export price have been compared at the ex-factory level, which *prima facie* establishes that the dumping margin with respect to the product under consideration imported from the subject countries has continued.

## H. Likelihood of continuation or recurrence of injury and causal link

- 16. The applicant has provided *prima facie* evidence with respect to the continued injury suffered by the domestic industry because of the dumped imports. The applicants have furnished prima facie evidence establishing that the subject imports from subject countries have caused injury to the domestic industry. The applicants have claimed that the volume of imports increased in both absolute terms and in relation to domestic production and demand in India over the injury period. The price depression caused by dumped imports have prevented the price movement to recover the full cost and achieve a reasonable rate of return. The applicant is suffering from financial losses, negative cash profit, negative profit before interest and negative return on capital employed. The applicant has also claimed that there is a likelihood of further injury in the present investigation and provided information on surplus capacities, export orientation, measures imposed by third country and price attractiveness of India.
- 17. The above information upon examination, *prima facie*, shows likelihood of continuation /recurrence of dumping and injury to the domestic industry in case of cessation of the anti-dumping duty.

#### I. Initiation of sunset review investigation.

18. On the basis of the duly substantiated application of the applicant, and having satisfied itself on the basis of the *prima facie* evidence submitted by the applicant, substantiating the likelihood of continuation/recurrence of dumping and injury, and in accordance with Section 9A(5) of the Act read with Rule 23 (IB) of the Rules, the Authority hereby initiates a sunset review investigation to review the need for continued imposition of the duties in force in respect of the subject goods, originating in or exported from the subject countries *viz* Malaysia, South Africa and United States of America and to examine

whether the expiry of such duty is likely to lead to continuation or recurrence of dumping and injury to the domestic industry. The authority intends to drop the initiation against EU and Singapore as the volume of imports are below *de minimis*.

## J. Procedure.

- 19. The sunset review investigation will cover all aspects of the final findings published vide Notification No.13/2016-Customs (ADD) dated 13<sup>th</sup> April 2016, and vide notification no. 21/2021- Customs (ADD) dated 12<sup>th</sup> April 2021 recommending the imposition of anti-dumping duty on the imports of the subject goods originating in or exported from the subject countries. The aforesaid duties are presently in force till 12th April 2026.
- 20. The provisions of Rules 6,7,8,9, 10, 11, 16, 17, 18, 19, and 20 of the Rules shall be mutatis mutandis applicable in this review.

#### K. Submission of information.

- 21. All communication should be sent to the Designated Authority via email at email addresses <u>ds2-dgtr@gov.in</u> and <u>dd19-dgtr@nic.in</u> with a copy to <u>adv11-dgtr@gov.in</u> and <u>consultant-dgtr@govcontractor.in</u>. It must be ensured that the narrative part of the submission is in searchable PDF/MS-Word format and data files are in MS-Excel format.
- 22. The known producers/exporters in subject countries, the government of subject countries through its Embassy in India, and the importers and users in India who are known to be associated with the product under consideration are being informed separately to enable them to file all the relevant information within the time limits mentioned in this initiation notification. 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.
- 23. 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.
- 24. 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.
- 25. Interested parties are further directed to regularly visit the official website of the Directorate General of Trade Remedies (<a href="https://www.dgtr.gov.in/">https://www.dgtr.gov.in/</a>) to stay updated and apprised with the information as well as further processes related to the investigation.

## L. Time limit.

- 26. Any information relating to the present investigation should be sent to the Authority via email at email addresses ds2-dgtr@gov.in and dd19-dgtr@nic.in with a copy to adv11-dgtr@gov.in and consultant-dgtr@govcontractor.in. within 30 days from the date of the receipt of the notice as per the Rule 6(4) of the Rules. It may, however, be noted that in terms of explanation of the said Rules, the notice calling for information and other documents shall be deemed to have received within one week from the date on which it was sent by the Authority or transmitted to the appropriate diplomatic representative of the exporting countries. If no information is received within the prescribed time-limit or the information received is incomplete, the Authority may record its findings on the basis of the facts available on record in accordance with the Rules.
- 27. All the 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 as stipulated in this notification.

### M. Submission of information on confidential basis.

- 28. Where any party to the present investigation makes 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.
- 29. 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.
- 30. 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.
- 31. 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.

- 32. 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, 1995, 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.
- 33. The interested parties can offer their comments on the issues of confidentiality within 7 days from the date of circulation of the non-confidential version of the documents.
- 34. 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.
- 35. 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.

## N. <u>Inspection of public file.</u>

36. 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/response/information to all other interested parties. Failure to circulate nonconfidential version of submissions/response/information might lead to consideration of an interested parry as non-cooperative

# O. Non-cooperation.

37. In case where an interested party refuses access to and 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 and record its findings based on the facts available and make such recommendations to the Central Government as it deems fit.

Sundhagan

(Siddharth Mahajan) Designated Authority