

F. No. 7/09/2023-DGTR
Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Trade Remedies
4th Floor, Jeevan Tara Building, Parliament Street, New Delhi

Dated: 22nd December, 2023

Final Findings
Case No. SSR (NC/01/2023)

Subject: Midterm review investigation limited to change of name of producer/exporter from Singapore regarding anti-dumping duty imposed on imports of Acetone originating in or exported from European Union, Singapore, South Africa' and United States of America.

Having regard to the Customs Tariff Act, 1975 as amended in 1995 (hereinafter referred to as Act) and the Customs Tariff (Identification, Assessment and Collection of Duty or Additional Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (hereinafter referred to as Rules):

A. BACKGROUND OF THE CASE

1. Whereas having regard to the Act and Rules supra, the Designated Authority, (hereinafter referred to as "the Authority") had issued its final findings vide Notification No. No. 7/26/2018-DGAD dated 5th March 2019 recommending definitive anti-dumping duty on the imports of "Acetone" originating in or exported from European Union, Singapore, South Africa and United States of America (hereinafter also referred to as the subject countries).
2. And whereas the Central Government, vide Customs Notification No. 14/2019-

Cus (ADD), dated 25th March 2019, had imposed definitive anti-dumping duty on the imports of the subject goods originating in or exported from the subject countries.

3. M/s INEOS Phenol Singapore Pte. Ltd. (herein after referred to as applicant) has filed an application on 30th June 2023 for change of name of the producer in the aforementioned Customs Notifications from Mitsui Phenols Singapore Pte. Ltd. to INEOS Phenol Singapore Pte. Ltd. following the acquisition of Mitsui Phenols Singapore Pte. Ltd. by INEOS Holdings Limited.
4. And, whereupon in accordance with Section 9A (5) of the Act, read with Rule 23 of the Anti-dumping Rules, the Authority issued a public notice dated 18th September 2023, published in the Gazette of India, Extraordinary Part I Section I, initiating the mid-term review limited to change of name of producer/exporter from Singapore regarding anti-dumping duty imposed on imports of acetone originating in or exported from European Union, Singapore, South Africa' and United States of America. The review is only limited to the aspect of the name change as claimed by M/s INEOS Phenol Singapore Pte. Ltd. (herein after referred to as "applicant") with regard to the final findings of notification no. 7/26/2018-DGAD dated 5th March 2019 and the definitive anti-dumping duty imposed vide Customs Notification 14/2019-Cus (ADD), dated 25th March 2019.

B. PROCEDURE

5. The procedure described below has been followed with regards to the investigation:
 - i. The Authority, issued a public notice dated 18th September 2023 published in the Gazette of India Extraordinary, initiating the mid-term review limited to change of name of producer/exporter from Singapore regarding anti-dumping duty imposed on imports of acetone originating in or exported from the European Union, Singapore, South Africa and United States of America.
 - ii. The Authority forwarded a copy of initiation notification dated 18th September 2023 to the embassy of the subject counties and known domestic producers of subject goods in India (whose details were made available by the applicant) and gave them opportunity to make their views known in writing within thirty days from the date of receipt of the notice as per Rule 6(4) of the anti-dumping

Rules.

- iii. There was no period of investigation set for the purpose of the present investigation as the scope of the investigation was restricted to change of name of the applicant only.
- iv. The Authority provided a copy of the non-confidential version of the application to the known exporters and the embassy of the subject countries in accordance with Rule 6(3) of the AD Rules. A copy of the application was also provided to other interested parties, wherever requested.
- v. The Authority has examined the information furnished by the exporter with regard to the changed circumstance for accuracy and adequacy of the information so provided.
- vi. In accordance with Rule 6(6) of the Anti-dumping Rules, the Authority also provided opportunity to all interested parties to present their views orally in the public hearing held on 10th November 2023. The parties that presented their views in the public hearing were requested to file written submissions of the views expressed orally. The arguments made in the written submissions thereon received from the interested parties to the extent considered relevant for the present investigation have been considered in the final findings.
- vii. Information provided by interested parties on 'confidential basis' was examined with regard to sufficiency of the confidentiality claim. On being satisfied, the Authority has accepted the confidentiality claims wherever warranted and such information has been considered as confidential and not disclosed to other interested parties. Wherever possible, parties providing information on confidential basis were directed to provide sufficient non-confidential version of the information filed on confidential basis.
- viii. In accordance with Rule 16 of the Rules, the essential facts of the investigation were disclosed to the known interested parties vide disclosure statement dated 21st December 2023 and comments received thereon, considered relevant by the Authority, have been addressed in these final findings.

C. SUBMISSIONS MADE BY INTERESTED PARTIES

6. The following submissions have been made by M/s INEOS Phenol Singapore Pte. Ltd., the applicant from Singapore:

- i. It has been stated by the company that INEOS Holdings Limited has acquired 100 percent of the shares in Mitsui Phenols Singapore Pte. Ltd. This was pursuant to a share purchase agreement entered into between INEOS Holdings Limited and Mitsui Chemicals, Inc., dated 26th August 2022.
- ii. It has been claimed by the applicant that, the owner of the company has been changed but there have been no changes in the production capacity, production equipment, supplier relationships, customer base, sales channels, and business operations related to acetone business of the company except minor changes in the management personnel.
- iii. The applicant has claimed that the functional support functions of the company such as finance, procurement, HR and IT, are now handled by the inhouse staff of INEOS Phenol Singapore Pte. Ltd., in Mitsui Phenols Singapore Pte. Ltd., these support functions were handled by a shared service partner entity namely Mitsui Chemical Asia Pacific.
- iv. The applicant has claimed that there are no changes to any parameters that are relevant to normal value or export price determination.
- v. In addition, the applicant has submitted that certain entities within the INEOS Group manufacture the subject goods in the subject countries, namely, from the European Union and United States which may have exported the subject goods to India independently. However, the applicant has submitted that there is no risk of circumvention of duties.
- vi. The applicant submitted that the entities within the INEOS Group maintain separate management structures, ensuring autonomy in decision-making processes and business operations. Their independence is reflected not only in their legal status but also in their day-to-day activities, where each entity pursues its own strategic goals and commercial interests without interference from others within the group.
- vii. The applicant submitted that there is no risk of transshipment. Even in the hypothetical scenario of INEOS Group considering transshipment through Singapore, it is important to note that this option would not be commercially feasible and would not be considered a sound business decision for any producer. Further, the producers from the EU and the US could already have circumvented the duties (and saved 120-150 USD/MT of duties) merely by

trans-shipment of the PUC through Singapore since the residual anti-dumping duty for Singapore is significantly lower than the anti-dumping duty applicable for the EU and the US. However, no such practices have been adopted by the INEOS.

- viii. The applicant further submitted that there is no record of any circumvention alleged by the Indian producers in this manner, which further confirms that there has been no circumvention thus far.

D. SUBMISSIONS MADE BY THE DOMESTIC INDUSTRY

7. There were no submissions made by the domestic industry.

E. POST DISCLOSURE COMMENTS

Submissions by the domestic industry

8. There were no submissions made by the domestic industry post the issuance of the disclosure statement.

Submissions by the interested Parties

9. The applicant has submitted that the spelling of its name has been inadvertently recorded as INEOS Phenols Singapore Pte. Ltd. instead of INEOS Phenol Singapore Pte. Ltd. and has requested the Authority to record the correct name of the applicant in the final findings.
10. The applicant has expressed its agreement with the Authority's record of the essential facts in this agreement.

F. EXAMINATION BY THE AUTHORITY

11. The submissions made by the interested parties are addressed herein below:
- i. The Authority notes the change of name of the applicant was done as a result of an acquisition by INEOS Holdings Limited which acquired 100 percent of the shares in Mitsui Phenols Singapore Pte. Ltd. This was under a share purchase agreement entered into between INEOS Holdings Limited and Mitsui Chemicals Inc. This has been reflected in various documents submitted by the applicant including, the director's resolution of the Board of Mitsui

Phenols Singapore Pte. Ltd., authorizing the acquisition and providing further details thereof, the updated business profile of the company as provided by the Accounting and Corporate Regulatory Authority of Singapore, reflecting the change in name and the certificate of incorporation of INEOS Phenol Singapore Pte. Ltd.

- ii. The Authority has examined the post disclosure submissions made by the interested parties and has taken note of the correction requested by the applicant in the spelling of its name as INEOS Phenol Singapore Pte. Ltd.

G. CONCLUSION AND RECOMMENDATIONS

12. Having considered all aspects of the case, including submissions made by the applicant and other interested parties, the Authority holds that the name of the producer/ exporter Mitsui Phenols Singapore Pte. Ltd. has been changed to INEOS Phenol Singapore Pte. Ltd.
13. Accordingly, the Authority recommends the following change in the duty table in the paragraph 94 of the final findings No. 7/26/2018-DGAD dated 5th March 2019, as under:
 - a. Against serial no. 1 in Col.5, the name of the producer 'M/s Mitsui Phenols Singapore Pte. Ltd.' may be amended to read as 'M/s INEOS Phenol Singapore Pte. Ltd.'
14. Accordingly, the Authority recommends that necessary amendment may also be carried out in notification no.14/2019-Customs (ADD) dated 25th March 2019.
15. An appeal arising out of this recommendation shall lie before the Customs, Excise, and Service Tax Appellate Tribunal in accordance with the Act.


(Anant Swarup)
Designated Authority