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F. No. 6/11/2024-DGTR
Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Trade Remedies)
4th Floor, Jeevan Tara Building, Parliament Street, New Delhi-110001

Dated: 28.03.2024

INITIATION NOTIFICATION
Case No. – AD(OI) – 10/2024

Subject: Initiation of an anti-dumping investigation concerning imports of Potassium Tertiary Butoxide (KTB) from China PR and United States of America; and imports of Sodium Tertiary Butoxide (STB) from China PR.

F. No. 6/11/2024-DGTR- An application has been filed by Suparna Chemicals Limited (hereinafter referred to as “applicant”) before the Designated Authority in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred to 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 the initiation of an anti-dumping investigation and the imposition of anti-dumping duty on imports of potassium tertiary butoxide or KTB (hereinafter referred to as “KTB” or “subject goods” or “product under consideration”) from China PR and the United States of America (hereinafter referred to as the “subject countries”); and imports of sodium tertiary butoxide or STB (hereinafter referred to as “STB” or “subject goods” or “product under consideration”) from China PR (hereinafter referred to as the “subject country”).

2. The applicant has alleged that dumping of the subject goods originating in or exported from the subject countries has caused material injury to the domestic industry in India. Accordingly, the applicant has requested for the imposition of anti-dumping duty on imports of KTB from China PR and USA and imports of STB from China PR.

A. PRODUCT UNDER CONSIDERATION

3. The products under consideration are “potassium tertiary butoxide” and “sodium tertiary butoxide”. They are defined as under:
4. Potassium tertiary butoxide or KTB is a chemical compound used as a non-nucleophilic and strong alkoxide base in organic chemistry. It is also known as potassium-t-butoxide, potassium tertiary butylate or potassium-t-butylate and its chemical formula is C_4H_9KO . It is produced in the form of powder and / or solution. However, the present investigation concerns in KTB in powder form only. KTB is used in deprotonation reactions, organic

synthesis, elimination reaction, condensation reactions, dehalogenation reactions and it is also used in active pharmaceutical intermediates (API).

5. Sodium tertiary butoxide or STB is a chemical compound used as a non-nucleophilic and strong base in organic chemistry. It is also known as sodium-t-butoxide, sodium tertiary butylate or sodium-t-butylate and its chemical formula is C_4H_9NaO . It is produced in the form of powder and / or solution. However, the present investigation concerns in STB in powder form only. STB is used in various reactions like deprotonation, condensation, base catalysed, rearrangement and ring-opening, and is also used in agrochemicals, pharmaceuticals, colorants, aroma chemicals, polymers, detergents and biodiesel.
6. The subject goods are classified under Chapter 29 of Schedule I to the Customs Tariff Act, under the tariff codes 2905 1490, 2905 1990 and 2905 4900. The customs classification is only indicative and is not binding on the scope of the product under consideration.
7. The parties to the present investigation may provide their comments on the product under consideration and propose PCNs (with justification), if any, within 15 days of initiation of the investigation.

B. LIKE ARTICLE

8. The applicant has claimed that there are no known differences in KTB and STB produced by the Indian industry and the products under consideration produced and exported from the subject countries. Each of the subject goods produced by the Indian producers and imported from the subject countries are comparable in terms of physical and chemical characteristics, manufacturing process and technology, functions and uses, product specifications, pricing, distribution and marketing and tariff classification of the goods. The subject goods are technically and commercially substitutable with subject goods imported from the subject countries. The consumers are using the subject goods and like article interchangeably. Therefore, for the purpose of the present investigation, the goods produced by the applicant have been considered as "like article" to the subject goods being imported from the subject countries.

C. DOMESTIC INDUSTRY AND STANDING

9. The application has been filed by Suparna Chemical Limited. While there are two other producers which may have produced the subject goods, such production is only 1-2 MT. Thus, the applicant has been *prima facie* considered as the sole producer of the subject goods in India for the purpose of the present investigation.
10. The applicant has stated that they are not related to any producer/exporter of the subject goods in the subject countries or any importer of the subject goods in India. The applicant has submitted that it has imported <0.1 MT STB from China PR on sample basis during the proposed period of investigation.

11. It is noted that the applicant accounts for a major proportion in the total Indian production of the subject goods. In view of the above, it is noted that applicant *prima facie* constitutes eligible domestic industry in terms of Rule 2(b) of the Rules, and the application *prima facie* satisfies the requirement of standing in terms of Rule 5(3) of the Rules.

D. SUBJECT COUNTRIES

12. The subject countries for the present anti-dumping investigation are China PR and USA with respect to KTB and China PR with respect to STB.

E. PERIOD OF INVESTIGATION (POI)

13. The period of investigation for the purpose of the present investigation is 1st October 2022 to 30th September 2023 (12 months). The injury investigation period will cover the period 1st April 2020 to 31st March 2021, 1st April 2021 to 31st March 2022, 1st April 2022 to 1st March 2023 and the period of investigation.

F. BASIS OF ALLEGED DUMPING

i. Normal Value for China PR

14. The applicant has claimed that China PR should be treated as a non-market economy and unless the Chinese producers show that market economy conditions prevail, their normal value be determined in terms of Paragraph 7 of Annexure-I to the Rules. The applicant has claimed normal value based on the price in a market economy third country. The applicant has considered the price of exports of the subject goods from India to the European Union, in order to determine the price in a market economy third country. The price has been adjusted to arrive at the ex-factory normal value. The Authority has considered the same for the purpose of the present investigation.

ii. Normal value for USA

15. The applicant has claimed that there was no publicly available evidence for the domestic selling price prevailing in USA and the price of imports into USA during the proposed period of investigation. Accordingly, the applicant has determined the normal value using cost of production in USA, estimated based on its own cost of production, with a reasonable addition of profits. The Authority has considered the same for the purpose of the present investigation.

G. EXPORT PRICE

16. The applicant has claimed the export price based on available information. However, the Authority has considered the export price of the subject goods based on the CIF price of the subject goods, as reported in the DGCI&S transaction-wise data. Adjustments have been made on account of ocean freight, marine insurance, port expenses, bank charges, inland freight, and commission to arrive at the net export price.

H. DUMPING MARGIN

17. The normal value and the export price of each of the subject goods have been compared at the ex-factory level. There is sufficient evidence that the normal value of each of the subject goods in the subject countries is significantly higher than the ex-factory export price indicating, *prima facie*, that each of the subject goods are being dumped by the exporters from the respective subject countries into the Indian market and the dumping margin is above de-minimis so as to justify initiation of the investigation.

I. INJURY AND CAUSAL LINK

18. The applicant has furnished *prima facie* evidence establishing that the subject imports have caused material injury to the domestic industry in India. The volume of imports has increased significantly over the injury period in absolute terms and in relation to the domestic production and consumption. The subject imports have undercut the domestic prices, depressed the domestic prices and have prevented price increases which otherwise would have occurred. The applicant has claimed that the subject imports have adversely impacted its production, capacity utilization, domestic sales and market share. This has significantly impacted the profitability of the domestic industry and it has incurred losses, cash losses and earned a negative return on its capital employed.
19. Therefore, there, is sufficient *prima facie* evidence of material injury being caused to the domestic industry by the dumped imports from the subject countries to justify initiation of this anti-dumping investigation.

J. INITIATION OF ANTI-DUMPING INVESTIGATION

20. 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 applicant, substantiating dumping of KTB originating in or exported from China PR and USA and of STB from China PR, injury to the domestic industry and a causal link between such alleged 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 any alleged dumping in respect of the products under consideration originating in or exported from the respective subject countries and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the injury to the domestic industry.

K. PROCEDURE

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

L. SUBMISSION OF INFORMATION

22. All communication should be sent to the Authority via email at email address adv11-dgtr@gov.in; jd12-dgtr@gov.in; and ad12-dgtr@gov.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.
23. The known producers/exporters in the subject countries, their governments through their embassies in India, the importers and users in India known to be concerned with the subject goods and the domestic industry are being informed separately to enable them to file all the relevant information in the form and manner prescribed within the time limit set out below. All such information must be filed in the form and manner as prescribed by this initiation notification, the AD Rules, 1995 and the applicable trade notices issued by the Authority.
24. Any other interested party may also make submission relevant to the present investigation in the form and manner as prescribed by this initiation notification, the AD Rules, 1995 and the applicable trade notices issued by the Authority within the time limits mentioned in this initiation notification.
25. Any other interested party may also make its submissions relevant to the investigation in the form and manner prescribed within the time-limit set out below on the email addresses mentioned hereinabove.
26. 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.
27. Interested parties are further advised to keep a regular watch on the official website of the Authority <https://www.dgtr.gov.in/> for any updated information with respect to this investigation.

M. TIME LIMIT

28. Any information relating to the present investigation should be sent to the Authority via email at email address adv11-dgtr@gov.in; jd12-dgtr@gov.in; and ad12-dgtr@gov.in, within thirty (30) days from the date of receipt of the 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 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 AD Rules, 1995.
29. 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.

30. Where an interested party seeks additional time for filing of submissions, it must demonstrate sufficient cause for such extension in terms of Rule 6 (4) of the AD Rules, 1995 and such request must come within the time stipulated in this notification.

N. SUBMISSION OF INFORMATION ON CONFIDENTIAL BASIS

31. Where any party making any confidential submission or providing information on a confidential basis before the Authority, is required to simultaneously submit a non-confidential version of such information in terms of Rule 7(2) of the Rules and the Trade Notices issued in this regard. Failure to adhere to the above 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 which 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 is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out (in case indexation is not feasible) and 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 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 why summarization is not possible must be provided to the satisfaction of the Authority.
36. The interested parties can offer their comments on the issues of confidentiality claimed by the other interested party within 7 days of the receipt of the non-confidential version of the application.
37. Any submission made without a meaningful non-confidential version thereof or without a sufficient and adequate cause statement in terms of Rule 7 of the AD Rules, 1995 and appropriate trade notices issued by the Authority, on the confidentiality claim shall not be taken on record by the Authority.

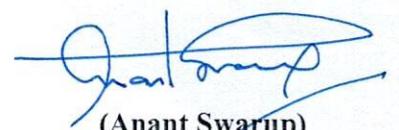
38. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or if the supplier of the information is either unwilling to make the information public 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 authorization of the party providing such information.

O. 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/response/information to all other interested parties. Failure to circulate non-confidential version of submissions/response/information might lead to consideration of an interested party as non-cooperative.

P. NON-COOPERATION

41. In case any interested part refuses access to and otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.



(Anant Swarup)
Designated Authority