Case No. AD (OI)- 30/2025

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F. No. 6/33/2025-DGTR
Government of India
Ministry of Commerce & Industry
Department of Commerce,
Directorate General of Trade Remedies
4th Floor, Jeevan Tara Building, 5, Parliament Street, New Delhi – 110001

Date: 25.09.2026

FINAL FINDINGS
Case No. AD (OI)- 30/2025

Subject: Anti-dumping investigation concerning imports of "Normal Butanol" or "N-BUTYL ALCOHOL" originating in or exported from Taiwan and Saudi Arabia.

F. No. 6/33/2025 – DGTR - Having regard to 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 as the "Anti-Dumping Rules" or "the Rules") thereof.

A. BACKGROUND OF THE CASE

1. The Designated Authority (hereinafter referred to as "Authority") received an application from The Andhra Petrochemicals Limited (hereinafter referred to as the 'applicant' or the "domestic industry") seeking initiation of an anti-dumping investigation on imports of 'Normal Butanol' (hereinafter to be referred to as the

"subject goods" or the "product under consideration"), originating in or exported from Saudi Arabia and Taiwan (hereinafter referred to as the "subject countries").

2. On the basis of *prima facie* evidence submitted by the domestic industry, the Authority issued a public notice vide notification no. 6/33/2025-DGTR dated 27thSeptember 2025, published in the Gazette of India, Extraordinary, initiating the subject investigation in accordance with the Section 9A of the Act read with Rule 5 of the Rules to determine the existence, degree and effect of the alleged dumping of the subject goods originating in or exported from the subject country and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the alleged injury to the domestic industry.

3. The application was filed in respect of dumping of the product under consideration from China, Taiwan and Saudi Arabia. However, the examination of the DGCI&S data showed that the volume of import of product under consideration from China PR was negligible. In view of the same, Taiwan and Saudi Arabia were considered as subject countries and investigation was not initiated against China.

B. PROCEDURE

4. The procedure described below has been followed with regard to the investigation:

3.1 Initiation

i. In accordance with Rule 5 and 6, upon examination of the application and finding *prima facie* evidence of dumping, injury and causal link, the Authority issued a notification no. 6/33/2025-DGTR dated 27th September 2025, published in the Gazette of India Extraordinary, initiating the anti-dumping investigation concerning the imports of the product under consideration from the subject countries.

ii. In accordance with Rule 5(5), prior to initiation of the investigation, the government of the subject countries was notified through their embassy in India about the receipt of the present anti-dumping application.

iii. In accordance with Rule 6(2), the interested parties were informed of the initiation of the investigation by sharing a copy of the initiation notification with the embassy of the subject countries in India, known producers and exporters of the product under consideration in the subject countries, known importers of the subject goods in India and other interested parties, as per the information made available in the application.

3.2 Period of investigation (POI) and injury period (IM):

i. As noted in the initiation notification, the period of investigation ('POI') was considered as 1st April 2024 to 31st March 2025. The injury period was set to cover the years 2021-22, 2022-23, 2023-24 and the period of investigation.

3.3 Import data

i. A request was made to the DG System to obtain transaction-wise import data of the subject goods for the injury period. The data was received and has been relied upon for the necessary analysis after due examination of the transactions. The volume and value of imports have been considered based on the DG System transaction wise data.

3.4 Circulation of non-confidential version of the application

i. In accordance with Rule 6(3), a copy of the non-confidential version of the application was provided to the governments of the subject countries through their embassies in India, known exporters of the subject imports and to other interested parties who requested in writing for a copy of the application.

3.5 Participation by Exporters of Subject countries

i. The Authority sent exporter's questionnaire to the known producers/exporters in accordance with Rule 6(4) of the Rules.

ii. The Authority sent questionnaires to the government of the subject country through its embassy in India. The government of the subject country was requested to forward the Initiation Notification and the questionnaires to the producers of the subject goods in China PR and advise them to respond to the questionnaire within the prescribed time limit. The following producer/exporter has registered themselves as an interested party in these proceedings and has filed an exporter's questionnaire response:

SN	Subject countries	Producers/exporters
1	Saudi Arabia	Saudi Butanol Company
2		Saudi Acrylic Acid Company
3		National Industrialization Petrochemical Marketing Company
4		Saudi Arabia Basic Industries Corporation
5		SABIC Asia Pacific Pvt. Limited
6		Saudi Kayan Petrochemical Company
7	Taiwan	Formosa Plastics Corporation
8		Copap Trading Inc
9		Kolmar Group AG
10		Vinmar International LLC

3.6 Participation by importers/users and their association.

i. The Authority sent Importer's and User's Questionnaire to the known importers/users of the subject goods in India calling for necessary information in accordance with Rule 6(4) of the Rules. The following importers/users have registered themselves as interested parties in the present proceedings:

SN	Name of importers and users in India
1	KLJ Petroplast Limited
2	KLJ Plasticizers Limited
3	KLJ Resources Limited
4	Payal Polyplast Private Limited

ii. In response to the initiation notification, Indian Plasticizers Manufacturers Association have also made legal submissions in the present investigation.

3.7 Registered Interested Parties

i. A list of all interested parties that registered themselves within the prescribed timeline was uploaded on the website. All registered interested parties were directed to circulate the non-confidential version of all their submissions in the present proceedings with all other interested parties.

3.8 **Economic Interest Questionnaire**

i. An economic interest questionnaire was issued to all the known producers and exporters, importers, and the domestic industry. The economic interest questionnaire was also shared with the administrative line ministry. Economic interest questionnaire was filed by the domestic industry and by participating importers and users.

3.9 Oral hearing

i. In accordance with Rule 6(6), the Authority provided an opportunity to the interested parties to present their views orally in a hearing held on 5thJanuary 2026. The parties presenting their views in the oral hearing were directed to make written submissions of the views expressed orally, followed by rejoinder submissions.

3.10 Further procedures

i. Foreign producers, exporters and other interested parties who have not responded, or have not supplied information relevant to this investigation, have been treated as non-cooperating with interested parties.

ii. The non-confidential version of the submissions filed by the various interested parties were made available to all participating interested parties. A list of all the interested parties was uploaded on the DGTR website along with the request therein to all of them to email the non-confidential version of their submissions to all the other interested parties.

iii. In accordance with Rule 6(8), wherever an interested party has refused access to or has otherwise not provided necessary information in a timely manner during the course of the present proceedings, or has significantly impeded the investigation, such parties have been considered as non-cooperative and recorded the findings on the basis of the facts available.

iv. In accordance with Rule 7, the information provided by the interested parties on confidential basis was examined with regard to the sufficiency of such confidentiality claims. On being satisfied, the confidentiality claims have been accepted wherever warranted and such information has been considered as confidential and not disclosed to the 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.

v. In accordance with Rule 8, verification of the data provided by the domestic industry and other interested parties was conducted to the extent considered necessary for the present proceedings. The Authority has considered the verified data of the interested parties in its analysis in the present case.

vi. The non-injurious price has been calculated based on the optimum cost of production and cost to produce & sell the domestic like article in India, based on the information furnished by the applicant and having regard to the Generally Accepted Accounting Principles (GAAP) and as per the principles laid down in Annexure III of the Rules.

vii. All the arguments raised and information provided by all the interested parties to the extent the same is supported with evidence and considered relevant to the present investigation have been considered.

viii. A disclosure statement dated 18.09.2026 was issued by the Authority, in accordance with Rule 16 of the Anti-Dumping Rules disclosing the essential facts under consideration in the matter relating to the present anti-dumping investigation. The comments to disclosure statement received from the interested parties have been considered, to the extent found relevant and non-repetitive, in these final findings.

ix. "***" in these final findings represents information furnished by an interested party on a confidential basis and so considered under the Rules.

x. The exchange rate adopted by the Authority for the subject investigation is 1 US$ = ₹ 85.43, being the average of the exchange rates notified by the Central Board of Indirect Taxes and Customs under Section 14 of the Customs Act, 1962 for conversion of the value of imported goods, in force during the period of investigation. The same rate has been applied throughout these final findings.

Source: https://foservices.icegate.gov.in/#/services/viewExchangeRate

C. PRODUCT UNDER CONSIDERATION

C.1 Submission of the other interested parties

5. The other interested parties have not made any submissions with regards to the product under consideration and like article.

C.2 Submission of the domestic industry

6. The domestic industry has made the following submissions with regards to the product under consideration and like article.
   a. The product under consideration in the present investigation is 'Normal Butanol' also known as N-Butyl Alcohol.
   b. Normal Butanol is a primary alcohol with a 4-carbon structure and molecular formula C4H9OH used as solvent in coating industries and printing inks.
   c. Normal Butanol also finds application as extractant in production of drugs and natural substances and as starting material for the production of Butyl mono Carboxylates, Butyl Acetate, Butyl butyrate
   d. The product is classified under Chapter 29 of the Customs Tariff Act, 1975, under sub-heading 2905 13 00.
   e. The products produced by the domestic industry are like article to the product being imported from the subject countries.

C.3 Examination by Authority

7. The submission made by the other interested parties and the domestic industry regarding the product under consideration and the like article have been examined and addressed hereunder.

8. At the stage of initiation, the product under consideration was defined as follows:

> *"3. 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, anti-icing 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, Butyrate.*

5. 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.

9. The initiation notification invited all interested parties to file their comments on the product scope and PCN methodology within 15 days of circulation of the receipt of intimation of initiation of the investigation. Apart from the domestic industry, none of the interested parties have filed any comments on the scope of the product under consideration and PCN methodology. Accordingly, vide notice dated 29th October 2025, the Authority notified the same scope of product under consideration as notified in the initiation notification for the purpose of filing of response, and it was also notified that there is no PCN methodology adopted in the present investigation. In the absence of any substantiated evidence warranting a modification to the scope of the product under consideration, the Authority retains the scope of the product under consideration as defined in the Initiation Notification.

10. The major raw materials used in production of normal butanol are Naphtha and Propylene. N-Butanol is produced industrially from the petrochemical feedstock propylene. Propylene is hydroformylated to butyraldehyde in the presence of a rhodium based homogenous catalyst, which is known as oxo process. The butyraldehyde is then hydrogenated to produce n-butanol.

11. The product under consideration is classified under Chapter 29 of the Customs Tariff Act, 1975, under the heading "Organic Chemicals" and under the sub-heading is 2905 13 00. It is also noted that the customs classification is indicative only and is in no way binding on the scope of subject investigation.

12. The prescribed unit of measurement for the product under consideration is metric tons (MT), and the same has been adopted for this investigation.

13. It is noted that the subject goods produced by the domestic industry and that imported from the subject countries are comparable in terms of characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable. Accordingly, it is held that the product produced by the domestic industry are 'like article' to the product under consideration imported from the subject countries in terms of Rule 2(d) of the Rules.

D. <u>SCOPE OF DOMESTIC INDUSTRY AND STANDING</u>

D.1 Submission of the other interested parties

14. The other interested parties have made the following submissions with respect to the domestic industry and standing:
    i. At the time of earlier investigations, the domestic industry was the sole domestic producer. However, since April 2021, Bharat Petroleum Corporation Limited (BPCL) has commenced production of Normal Butanol and has emerged as a significant, domestic producer.
    ii. The standing of the domestic industry is doubtful and does not meet the requirements of Rules 2(b) and 5(3) of the Anti-Dumping Rules, 1995.
    iii. Where multiple producers operate, the applicant must establish representativeness through clear and verifiable evidence, which is absent in this case.
    iv. BPCL has neither supported nor opposed the present application and has not participated in the investigation. The applicant must demonstrate that it accounts for more than 50% of total domestic production to meet the standing requirement.
    v. The applicant's assumption that BPCL's silence amounts to neutrality is unfounded and legally untenable. In such circumstances, the Authority was required to independently ascertain BPCL's position.
    vi. Rule 5(3) prescribes mandatory production thresholds to establish standing at the initiation stage. The applicant has failed to demonstrate compliance with these thresholds or to show requisite support from other domestic producers.

D.2 Submission of the domestic industry

15. The domestic industry has made the following submissions with respect to the domestic industry and standing:
    i. The present application has been filed by Andhra Petrochemicals Limited.
    ii. In the previous investigation, the applicant was the sole producer in India. Bharat Petroleum Corporation Limited (BPCL) recently setup its plant and started commercial production in April 2021.
    iii. The applicant had sent communication to BPCL, but BPCL has not replied to the applicant. The applicant has considered BPCL as neutral in the present investigation.
    iv. The applicant has neither imported the subject goods from subject countries nor is related to any importer in India or producer/exporter from subject countries.
    v. It is alleged that the domestic industry does not meet the requirement of Rule 2(b) and 5(3), it is submitted that Rule 5(3)(a) requires that an application be supported by the producers accounting for at least 25% of the total Indian production.
    vi. The next condition for 50% is for cases where other Indian producers have either supported or opposed the application.
    vii. In the present case, BPCL has neither supported nor opposed the application and has remained neutral. As there is no opposition from any domestic producer, the requirement relating to 50% support of those expressing does not arise.

D.3 Examination by the Authority

16. Rule 2(b) of the Anti-Dumping Rules defines domestic industry as below:

"(b) "domestic industry" means the domestic producers as a whole engaged in the manufacture of the like article and any activity connected therewith or those whose collective output of the said article constitutes a major proportion of the total domestic production of that article except when such producers are related to the exporters or importers of the alleged dumped article or are themselves importers thereof in such case the term 'domestic industry' may be constructed as referring to the rest of the producers."

17. The present application has been filed by Andhra Petrochemicals Limited. In the original and subsequent first sunset review investigation, Andhra Petrochemicals Limited was the sole producer of the like article in India. In April 2021, another producer, namely Bharat Petroleum Corporation Limited (BPCL), commenced commercial production of Normal Butanol in India with a capacity of 38,000 MT.

18. With regard to the submission that the domestic industry does not meet the requirements of Rules 2(b) and 5(3), the Authority sought information from Bharat Petroleum Corporation Limited (BPCL) on its production, its position on the application and other relevant details. BPCL did not furnish the requested information and did not support or oppose the application.

19. The Authority further notes that Rule 5(3)(a) requires that the application be supported by domestic producers accounting for at least 25% of the total Indian production of the like article. The applicant accounts for [***%] of the total Indian production and, therefore, satisfies the minimum threshold prescribed under the Rules. Further, in the absence of any opposition from another domestic producer, the requirement concerning support from producers expressing a view on the application does not arise. Therefore, the applicant constitutes a major proportion of the domestic production within the meaning of Rule 2(b) of the Rules.

S.No.	Name of Producer	Total Production (in MT)	Share in Total Indian Production (%)
1.	Andhra Petrochemcials Ltd.	***	***
2.	BPCL	***	***

20. With regard to the contention that Rule 5(3) of the Rules prescribes mandatory production thresholds for establishing standing at the initiation stage and that the applicant has failed to satisfy the requirements prescribed therein, the Authority notes that Rule 5(3) requires the Authority to examine whether the application has been made

by or on behalf of the domestic industry and whether the requisite level of support exists for initiation of an investigation. The standing of the applicant was examined at the stage of initiation in accordance with the provisions of Rule 5(3).

21. The Authority further notes that none of the interested parties have provided any evidence to demonstrate that the applicant failed to satisfy the standing requirements prescribed under Rule 5(3) or that the Authority made incorrect determination at the stage of initiation. In view of the above, the Authority does not find merit in the contention raised by the interested parties.

22. The applicant has certified that it has not imported the subject goods from the subject countries during the period of investigation and that it is neither related to any exporter or producer of the subject goods in the subject countries nor to any importer of the product in India. The DG System data has been examined, and it is found that the applicant has not imported the product under consideration.

23. In view of the above, it is concluded that the applicant constitutes an eligible domestic industry within the meaning of Rule 2(b) of the Rules and that the application satisfies the standing requirements under Rule 5(3) of the Rules.

E. <u>MISCELLANEOUS ISSUES AND CONFIDENTIALITY</u>

E.1 Submission of the other interested parties

24. The other interested parties have made the following submissions with respect to confidentiality and other misc. issues:
    i. The domestic industry is a habitual user of trade remedy investigations and taking undue advantage.
    ii. The presence of BPCL, whose production is largely captive, further distorts any assessment of representativeness. The application does not disclose production volumes or market shares of each producer, preventing verification by interested parties.

E.2 Submission of the domestic industry

25. The domestic industry has made the following submission with respect to confidentiality and other misc. issues:
    i. On the submission that domestic industry is a habitual user of trade remedy, the producers from various subject countries have been dumping the product in India for decades. The dumping margin from both the subject countries is significantly positive.
    ii. Neither the Customs Tariff Act nor the Anti-Dumping Rules restrict the domestic industry from approaching the Designated Authority for appropriate trade remedial measures whenever unfair imports cause injury to the domestic industry
    iii. On the submission that the petition fails to disclose the production volumes or market shares of each individual producer, it is submitted that Trade Notice No.

10/2018 does not impose any requirement to disclose producer-wise production data or individual market share figures.

iv. The domestic industry has disclosed all relevant information, including the actual production of BPCL and the production of the domestic industry and market share in index form, thereby fully complying with Trade Notice No. 10/2018.

E.3 Examination by the Authority

26. The non-confidential version of the information provided by various interested parties were made available to all interested parties as per Rule 6(7) and Trade Notice 10/2018 dated 7th September 2018 read with Trade Notice 01/2020.

27. The submissions made by the domestic industry and the participating exporters concerning confidentiality, to the extent considered relevant, were examined by the Authority and addressed accordingly. It is seen that the domestic industry and interested parties have claimed confidentiality on information, such as production, capacity, capacity utilization, sales volumes, market share, stocks, selling price, costs, profits, cash profits, return on investment, non-injurious price, cost of production related information, normal value, export price, dumping margin, injury margin, price adjustments, profit related information, sales channels, sales & purchase documents, customers and suppliers names, etc. It is also seen that wherever information is for injury period, the same has been provided on an indexed basis. Information such as normal value, non-injurious price and price undercutting has been disclosed in the range.

28. The interested parties have claimed confidentiality on various supporting documents & information, wherever such information has not been publicly disclosed by them. In those cases where an interested party has not publicly disclosed its annual reports and financial statements, the same have been claimed confidential. Wherever the interested parties have claimed a document as confidential, it is noted that these interested parties have claimed that these documents are not susceptible to summary and have given reasons why summarisation is not possible.

29. The Authority has consistently allowed interested parties to claim confidentiality on such information and documents provided by domestic industries, foreign producers and other interested parties in all investigations. The Authority notes that all the interested parties have claimed their business-related sensitive information as confidential. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted, and such information has been considered confidential and not disclosed to the other interested parties.

30. With regard to the submission of the interested parties that production of each producer has not been disclosed, the Authority notes that the production of BPCL considered by

the applicant has been disclosed in the application and the same has been relied upon for the purpose of present application.

31. With regards to the submissions made by the other interested parties that the domestic industry is a habitual user of trade remedy measures, it is seen that as per Section 9(A)(5), there is no bar on the number of times domestic industry can seek redressal from unfair trade practices of the foreign producers/exporters and no bar on the number of times anti-dumping duty can be imposed. In an anti-dumping investigation, the primary mandate is to assess whether remedial measures are required in light of dumped imports and consequent injury to the domestic industry. The anti-dumping duty can be imposed for a period as long as necessary to counteract dumping and injury. The recommendations for the imposition of anti-dumping duty are made only after investigation and when the requisite legal requirements are met.

F. DETERMINATION OF NORMAL VALUE, EXPORT PRICE AND DUMPING MARGIN

F.1 Submission of the other interested parties

32. Before issuance of the disclosure statement, the participating producers/exporters had not made any further specific submission on the calculations of normal value, export price and dumping margin beyond the information and claims furnished in their questionnaire responses and subsequent replies.

F.2 Submission of the domestic industry

33. The domestic industry had submitted, including through its letter dated 6th July 2026, that the Saudi producer/exporter group had not furnished complete information regarding Sadara and the related-party transactions concerning propylene. It requested that the responses of the Saudi group be rejected and that the dumping margin be determined on the basis of facts available. These submissions have been examined below.

F.3 Examination by the Authority

34. The questionnaires were sent to the known producers/exporters from the subject countries, advising them to provide information in the prescribed form and manner. The following producers and exporters from the subject countries, along with their related exporters, have filed the prescribed questionnaire responses.

i. Saudi Butanol Company
ii. Saudi Acrylic Acid Company
iii. National Industrialization Petrochemical Marketing Company
iv. Saudi Arabia Basic Industries Corporation
v. SABIC Asia Pacific Pvt. Limited
vi. Saudi Kayan Petrochemical Company
vii. Formosa Plastics Corporation
viii. Copap Trading Inc

ix. Kolmar Group AG
x. Vinmar International LLC

35. The normal value and export price for all producers/exporters from the subject countries have been determined in terms of Section 9A(1)c of the Act and is mentioned below.

F.4.1 Normal value and export price determination for Saudi Arabia

Saudi Kayan Petrochemical Company (Producer), Saudi Arabia Basic Industries Corporation (Exporter) and SABIC Asia Pacific Pvt. Limited (Exporter)

i. Normal value

36. The following producers and exporters have filed questionnaire responses for the group.
    a. Saudi Arabia Basic Industries Corporation ("SABIC")
    b. Saudi Kayan Petrochemical Company ("Saudi Kayan")
    c. SABIC Asia Pacific Pvt. limited ("SAPPL")
    d. Saudi Butanol Company ("SABUCO"),
    e. Saudi Acrylic Acid Company ("SAAC")
    f. National Industrialization Petrochemical Marketing Company ("TASNEE")

37. The Authority has examined the information and evidence furnished by all the aforesaid producers and exporters.

38. SABUCO is a joint venture between Saudi Kayan, SAAC and Sadara Chemical Company (hereinafter referred to as "Sadara"). The joint venture partners supply propylene to SABUCO, which undertakes the physical conversion of propylene into the product under consideration pursuant to a toll manufacturing arrangement and returns the resultant product to the respective joint venture partners. The Authority notes that SABUCO does not own either the principal raw material, i.e., propylene, or the finished product, both of which remain the property of the respective joint venture partners. Thus, while SABUCO performs the physical manufacturing process, the ownership of the principal raw material and the resultant subject goods continues to vest with the joint venture partners. In these circumstances, the Authority considers that the determination of an individual dumping margin cannot be undertaken by examining SABUCO in isolation and necessarily requires an examination of the producer group as a whole, particularly where ownership, procurement of raw materials, production, costs and sales/marketing functions are distributed among related entities.

39. The Authority further notes that Sadara, one of the three joint venture partners, holds a one-third ownership interest in SABUCO and accounts for approximately one-third of the production of the subject goods. However, Sadara has not participated in the present investigation and has not furnished the prescribed questionnaire response or the information necessary for examination and verification of its transactions and costs. In

view thereof, the Authority has been unable to examine and verify material information pertaining to a significant constituent of the producer group, including information relating to ownership, procurement of raw materials, production, costs and sales of the subject goods. The non-participation of Sadara has, therefore, materially constrained the Authority's ability to establish the completeness and accuracy of the information furnished by the remaining entities of the producer group.

40. The Authority also notes that Saudi Arabia Basic Industries Corporation ("SABIC"), through its subsidiary Sabic Asia Pacific Pte. Ltd. ("SAPPL"), is engaged in the export of the subject goods to India and in sales to related as well as unrelated customers in the domestic market of the subject country. However, SABIC itself is not a producer of the subject goods and is engaged in the production of propylene, which constitutes the principal raw material used in the manufacture of the subject goods. The Authority further notes that SABIC supplies propylene to Saudi Kayan Petrochemical Company ("Saudi Kayan"). Despite the significance of propylene in the cost structure of the subject goods, SABIC has not furnished adequate information regarding its cost of production of propylene. Consequently, the Authority has not been able to examine and verify whether the cost of the principal raw material reported by the producer group reasonably reflects the underlying cost of production and supply of propylene.

41. The Authority further notes that the propylene used in the manufacture of the subject goods has been sourced through related entities. In particular, Saudi Kayan, an affiliated entity, has sourced propylene from SABIC and thereafter supplied the same to SABUCO for conversion into the subject goods. The resultant subject goods have, in turn, been sold predominantly to related parties. SAAC, on the other hand, has procured propylene from unrelated suppliers, whereas Sadara has neither participated in the present investigation nor furnished the requisite information, despite being one of the joint venture partners, supplying propylene to SABUCO and retaining ownership of the subject goods manufactured through the toll manufacturing arrangement. Accordingly, the Authority considers that the examination of the cost of the principal raw material requires an assessment of the transactions at the relevant stages of the supply chain, particularly where such transactions involve affiliated entities.

42. Where a principal raw material is procured from or supplied by an affiliated entity, the Authority is required to satisfy itself, on the basis of verifiable evidence, that the price at which such raw material has been transferred reasonably reflects the market value or an arm's length value and that the cost reported in the records does not contain any distortion arising from the relationship between the parties. In the present case, the information and evidence furnished by Saudi Kayan to establish that the transfer price of propylene approximates the market value of the raw material are not sufficient to enable the Authority to make such a determination. Further, the absence of information from Sadara and the non-availability of adequate information regarding the cost of production of propylene incurred by SABIC have further constrained the Authority's ability to verify the reasonableness of the reported raw material cost. The Authority is,

therefore, unable to satisfy itself that the cost of propylene reported in the records constitutes a reliable and representative basis for determination of the cost of production of the subject goods.

43. The Authority considers that, where a major input constituting a significant component of the cost of production is sourced through a chain of affiliated entities, the cost records of the producer cannot be relied upon mechanically without examining whether the transactions underlying such costs reasonably reflect the costs associated with the production and sale of the product under consideration. This principle is embodied in Rule 2(f) read with Annexure I to the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, and is consistent with Article 2.2.1.1 of the WTO Anti-Dumping Agreement. The Authority must, therefore, be satisfied, on the basis of verifiable information, that the costs recorded by the producer reasonably reflect the costs associated with the production and sale of the product under consideration. In the present case, the information available on record does not enable the Authority to make such a determination in respect of the principal raw material.

44. The Authority further notes that the deficiencies identified above are material to the determination of the cost of production and, consequently, to the determination of the normal value and individual dumping margin. Despite opportunities having been afforded to the concerned producers/exporters to furnish the requisite information and supporting evidence, the information available on record remains insufficient to enable the Authority to verify the relevant cost elements and to establish a reliable cost of production for the producer group as a whole. In particular, the non-participation of Sadara, which represents a significant part of the ownership and production of the joint venture, coupled with the absence of adequate and verifiable information concerning the cost and transfer price of propylene sourced through related entities, prevents the Authority from determining with reasonable accuracy the cost structure of the producer group.

45. In view of the foregoing, the Authority holds that the information available on record is not sufficient to establish a reliable and verifiable cost of production for the SABUCO producer group for the purpose of determining its individual dumping margin. The inability to verify the relevant transactions and cost elements is attributable, inter alia, to the non-participation of Sadara and the failure of the concerned producers/exporters to furnish adequate and verifiable evidence in respect of the related-party transactions forming a material part of the cost structure, despite having been afforded an opportunity to do so. Accordingly, the Authority finds that the concerned producers/exporters have not provided the information necessary for a satisfactory determination of the individual dumping margin and that the determination is required to be made on the basis of the facts available in accordance with Rule 6(8) of the Anti-Dumping Rules. Consequently, an individual dumping margin cannot be determined for the SABUCO producer group on the basis of the information available on record, and

the group shall accordingly be subject to the residual/"all others" rate determined by the Authority in the present investigation on the basis of facts available.

Non-cooperating producers/exporters:

46. It is noted that no other producers/exporters from Saudi Arabia have cooperated in the present investigation. In view of the same, the normal value and export price for all non- cooperating producers and exporters of Saudi Arabia have been determined based on the facts available under Rule 6(8) of the Rules. Considering that no other producer from Saudi Arabia has participated in the present investigation, the Authority considered that the normal value should be determined based on facts available. The normal value has been determined based on the international price of raw materials, namely propylene and the consumption norms, and the other conversion costs have been considered based on facts available. Appropriate adjustments have been made for administrative, selling and general overheads, and for profit. The normal value and net export price thus determined is mentioned in the dumping margin table.

F.4.2 Normal value and export price determination for Taiwan

Formosa Plastics Corporation (Producer), Copap Trading Inc (Exporter), Kolmar Group AG (Exporter) and Vinmar International LLC (Exporter)

i. Normal value

47. During the period of investigation, Formosa Plastics Corporation (hereinafter referred to as “Formosa Plastics”), who is a producer of the subject goods in Taiwan has sold ***MT of the subject goods for invoice value of ***NTD in their domestic market. The domestic sales are in sufficient volumes when compared with the exports to India.

48. To determine the normal value, the Authority conducted the ordinary course of trade test to determine the profit-making domestic sales transactions with reference to the cost of production of the subject goods. If profit making transactions are more than 80% of the total sales, then all the transactions in the domestic sales are considered for the determination of the normal value and in case the profitable transactions are less than 80%, only profitable domestic sales are taken into consideration for the determination of the normal value. In the present investigation, since the profit-making sales are more than 80%, all the domestic sales have been considered to determine the normal value. Formosa Plastics has claimed adjustment on account of inland freight, packing expenses and credit cost in the calculation of normal value and the same have been allowed by the Authority. The normal value so determined is mentioned in the dumping margin table below.

ii. Export price

49. During the period of investigation, Formosa Plastics has exported ***MT of the subject goods of invoice value as ***USD. Out of which company has sold ***MT directly to Unrelated buyers in India and rest of the quantity has been sold to India indirectly

through unrelated exporters/trader namely, Copap Trading Inc., Kolmar group AG and Vinmar International.

Formosa Plastics ⟶ Unrelated customers in India
Formosa Plastics ⟶ Copap Trading Inc. ⟶ Kolmar Group AG ⟶ Unrelated customers in India

50. The export price has been determined after due adjustments. The producer/exporter has claimed adjustments on account of ocean freight, marine insurance, port and other related expenses, bank charges and the same has been allowed after desk verification.

51. The net export price so determined is mentioned in the dumping margin table below.

Non-cooperating producers/exporters

52. It is noted that no other producers/exporters from Taiwan have cooperated in the present investigation. In view of the same, the normal value and export price for all other non-cooperating producers and exporters of Taiwan has been determined based on the facts available under Rule 6(8) of the Rules. The normal value and net export price thus determined is mentioned in the dumping margin table

F.4.3 Dumping margin

53. Based on normal value and export price is determined as above, the dumping margin has been determined below.

Dumping margin table

SN	Particular	Normal value	Export price	Dumping margin	Dumping margin	Dumping margin
		(USD/MT)	(USD/MT)	(USD/MT)	%	Range
A	**Taiwan**					
1.	Formosa Plastics Corporation	***	***	***	***	10-20%
2	Any other producer/exporter	***	***	***	***	30-40%
B.	**Saudi Arabia**					
1.	Any producer/ exporter	***	***	***	***	30-40%

G. ASSESSMENT OF INJURY AND CAUSAL LINK

G.1 Submission of the other interested parties

54. The other interested parties have made the following submissions with regards to injury and causal link:

i. The domestic industry has exaggerated the increased import of the subject product.
ii. The decline in the performance of the applicant is due to its own operational inefficiencies, non-availability of raw materials and shutdowns, not from the impact of imports from Taiwan.
iii. The applicant has admitted that it has repeatedly undertaken shutdowns due to maintenance and unavailability of raw materials.
iv. Such frequent disruptions in manufacturing activities have led to sub-optimal capacity utilization, higher per-unit manufacturing cost, supply unreliability and loss of market confidence, which in turn would erode profitability.
v. After BPCL started commercial production of the product, the domestic market was transformed. BPCL has emerged as a dominant domestic producer, catering to a substantial portion of Indian demand for the subject goods. APCL's sales remained low and erratic.
vi. BPCL's expansion at its Kochi Petrochemical Complex was undertaken to substitute imports. BPCL inevitably exerts downward pressure on prices and market shares. Such competitive pressure constitutes a "factor other than subject imports."
vii. The applicant's 2024–25 Annual Report expressly attributes its decline in production, sales and profitability to shortage of propylene from HPCL, global price declines, subdued demand and adverse macro-economic conditions.
viii. During the year, production fell from 70,209 MT to 51,489 MT, sales from 72,730 MT to 49,032 MT, and profits turned into a net loss of INR 18.13 crores.
ix. The consistent adoption of a 22% return on capital employed by the Authority for the calculation of non-injurious price is inflated and not aligned with present economic conditions or the legal framework under the Rules.
x. Courts in Bridgestone Tyres and Hyosung Corporation have held that such a return distorts injury analysis.
xi. Taiwan's ECFA tariff suspension will cause diversion of NBA to India is a purely speculative assertion, unsupported by evidence and lacking any causal link with the alleged injury to the domestic industry.
xii. There exists a significant demand-supply gap in the domestic market, making imports of the PUC both warranted and inevitable. Even after accounting for the sales of the domestic industry and the other domestic producer, a substantial portion of demand during the POI could only be met through imports.
xiii. The applicant's capacity increased from 30,000 MT to 73,000 MT for Oxo Alcohol, representing an increase of about 143%, without installing a new production line. Such a significant increase appears implausible, and the applicant may be asked to substantiate its capacity claims.
xiv. Despite the applicant's claims of injury due to dumped imports, BPCL's sales consistently increased even during periods of rising imports from the subject countries.
xv. BPCL chose not to support the applicant's petition, further indicating that the alleged injury is not reflective of the domestic industry as a whole.

xvi. The applicant may be overstating its utilities costs. As per the Annual Report, additional electricity charges (FPPCA) imposed by APERC have been challenged before APTEL, and a substantial portion has been treated as contingent liabilities. If the APERC order is overturned, the actual utilities cost may reduce.

xvii. Sourcing propylene from alternative suppliers (BPCL and GAIL) is not economical due to high logistics costs, and that it largely depends on HPCL for propylene supply. Therefore, the decline in the applicant's production and profitability is due to its dependence on a single supplier.

xviii. The domestic industry faces structural constraints such as limited capacity, operational disruptions and supply unreliability, making imports essential to bridge domestic demand.

G.2 Submission of the domestic industry

55. The domestic industry has made the following submissions with regards to injury and causal link:

i. The producers in the subject countries have capacities far more than domestic demand, with a combined capacity of *** MT. The capacity nearly accounts for ***% of global demand and is 5 times India's demand.

ii. The injury to the domestic industry is directly attributable to dumped imports from subject countries and countries attracting anti-dumping duties.

iii. The volume of dumped imports increased by 1102% over the injury period.

iv. Despite increase in cost of sales, the landed prices of imports fell substantially and remained below the cost of sales, resulting in continuous losses to the domestic industry.

v. Syngas, naphtha, and propylene are the major raw materials for producing Normal Butanol, together accounting for over 90% of the cost. Despite the increase in raw material costs, import prices have declined.

vi. Demand for the product increased by ***% over the injury period, however, imports from subject countries increased by 1102%, more than increase in demand.

vii. The imports from subject countries increased in absolute term as well as in relation to production and consumption.

viii. The landed price from the subject countries is below the cost of sales and selling price of the domestic industry.

ix. Dumped imports have prevented the applicant from change its selling price in commensurate to the cost of sales. The dumped imports are suppressing and depressing the prices of the domestic industry.

x. The capacity of the domestic industry remained constant.

xi. The production and capacity utilisation declined in 2022-23 due to partial plant shutdowns and increased imports, recovered marginally in 2023-24, and declined again during the period of investigation due to plant shutdowns and low-priced dumped imports.

xii. Some production loss resulted from temporary unavailability of raw materials, there were no factors other than dumped imports that prevented optimum capacity utilisation.

xiii. Domestic sales declined in 2022-23, increased marginally thereafter, but fell sharply again during the period of investigation. Despite selling over 90% of its production, the domestic industry had to significantly reduce prices, resulting in decline in the sales revenue.

xiv. The landed price of imports during the period of investigation was below the domestic industry's variable cost. As the domestic industry competes on price, it was compelled to match import prices and sell below variable cost, leading to non-recovery of costs and forcing a voluntary suspension of production.

xv. Dumped imports have forced the domestic industry to curtail production, resulting in increasing shutdown days and increase in production losses over the years.

xvi. Except for shutdown due to raw material shortage and maintenance shutdown, all other production stoppages were due to adverse market conditions caused by dumping.

xvii. Normal Butanol and 2-Ethyl Hexanol use the same raw material from a common supplier and storage facility. During the injury period, even when Normal Butanol production was suspended for 365 days, the domestic industry produced 2-Ethyl Hexanol for [***] day.

xviii. Production was shifted to 2-Ethyl Hexanol as it remained profitable until 2023-24, unlike Normal Butanol which consistently incurred losses.

xix. The domestic industry sources Propylene exclusively from HPCL. Propylene is not easily tradable, so production suspension by the domestic industry directly affects HPCL's sales. HPCL sales declined partly due to maintenance and partly due to reduced production of Normal Butanol and 2-Ethyl Hexanol by the domestic industry.

xx. The domestic industry had sufficient Propylene stock, yet chose not to produce Normal Butanol, while continuing 2-Ethyl Hexanol production.

xxi. Domestic industry inventory increased sharply during the period of investigation, despite selling over ***% of production and operating below market demand. For around 100 days, inventory was enough to meet five days of demand, thus, high stocks were not due to demand-supply gaps.

xxii. Imports from subject countries steadily increased their market share during the injury period, while the domestic industry's share declined.

xxiii. The domestic industry was profitable in the base year but suffered continuous losses during the injury period due to dumped imports. Even after accounting for temporary raw material shortages, losses continued.

xxiv. The domestic industry recorded negative growth in both volume and price parameters.

xxv. In 2023, MOFCOM extended these duties for another five years on Malaysia, Taiwan and USA.

xxvi. Previously, Taiwan benefited from ECFA trade concessions. However, after 15 June 2024, ECFA tariff concessions were suspended, forcing Taiwanese producers to face full MFN tariffs.

xxvii. Other factors have not caused injury to the domestic industry. There is a causal link between dumped imports and injury to the domestic industry.

xxviii. On the submissions that the deterioration in the performance of the applicant is attributable to its own operational inefficiencies, alleged non-availability of raw materials, and frequent shutdowns, is incorrect, and the main reason was the continued presence of dumped imports at prices below the cost of sales of the domestic industry.

xxix. The domestic industry was forced to sell the product below variable cost, resulting in financial losses, and therefore had no option but to suspend production during several periods despite the availability of raw materials.

xxx. On the submission that commercial production by BPCL has caused injury to the domestic industry, it is submitted that BPCL commenced production in 2021-22, and the domestic industry was profitable in the base year. Had the commencement of production by BPCL been the cause of injury, the domestic industry would have suffered losses in the base year itself.

xxxi. BPCL is a neutral party to this investigation and there are no positive evidence showing BPCL is not suffering from any injuries.

xxxii. The domestic industry is its annual report has also attributed the decline in the performance to drop in international oxo-alcohol prices also which shows that it is the price of imports which is impacting the prices.

xxxiii. On the submission that the consistent adoption of 22% return on capital employed by the Authority for the calculation of non-injurious price is inflated, it is a consistent practise of the Designated Authority.

xxxiv. If the Authority considered 22% rate of return on capital employed should not be allowed, the rates of return on capital employed earned by the applicant during the base year should be considered, as there was no dumping during this time.

xxxv. The argument that imports merely supplemented the demand–supply gap is factually incorrect. The demand and supply gap is to the extent of ***MT. However, the actual dumped imports during the period of investigation were 69,574 MT from subject countries and fresh dumping countries.

xxxvi. On the submission that export diversion to India due to the suspension of tariff concessions under Taiwan's ECFA is speculative, it is submitted that the 2024 Annual Report of the responding exporter expressly states that, following the ECFA suspension, it intends to increase sales in other markets, including India. Accordingly, the likelihood of diversion cannot be regarded as speculative.

xxxvii. On the submission that sourcing propylene from alternative suppliers is not economical due to high logistics costs and the decline in the applicant's production and profitability is due to its dependence on a single supplier, it is submitted that, the applicant has sourced its raw material from HPCL not only during the period of investigation but also in prior years. Had its decline in production and profitability been attributable to dependence on a single supplier, losses would have occurred throughout the injury period.

xxxviii. On the submission that the applicant may be overstating its utilities costs by including additional electricity charges (FPPCA) imposed by APERC, the domestic industry has filed an appeal against these charges, and these charges have not been included in the cost of production for the product under consideration.

G.3 Examination by the Authority

56. Rule 11 of Antidumping Rules read with Annexure II provides that an injury determination shall involve examination of factors that may indicate injury to the domestic industry, "… *taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on the domestic producers of such articles…"*. In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. For the examination of the impact of the dumped imports on the domestic industry in India, indices having a bearing on the state of the industry such as production, capacity utilization, sales volume, inventory, profitability, net sales realization, the magnitude and margin of dumping, etc. have been considered in accordance with Annexure II of the Anti-Dumping Rules.

57. With regard to dependence on HPCL for propylene, the Authority notes that this sourcing arrangement existed throughout the injury period, including the base year when the domestic industry was profitable. This factor, by itself, therefore does not explain the change from profits in the base year to losses thereafter. The actual periods of raw material shortage have been examined separately below.

58. The Authority has considered the domestic industry's Annual Report and the submissions concerning raw material shortage, international oxo-alcohol prices and other market conditions. These factors may have affected the domestic industry to some extent. However, demand for Normal Butanol increased during the injury period, the identified raw material and maintenance shutdowns were for limited periods, and the landed price of subject imports remained below the domestic industry's cost and selling price during the relevant years. These factors, therefore, do not explain the full deterioration in performance or remove the price effect of the dumped imports.

59. With regard to the submission of the other interested parties, that the commencement of production by BPCL has intensified domestic competition and caused decline in performance of the domestic industry during the period of investigation, it is noted that

BPCL commenced production of the domestic like product in 2021. The domestic industry reported profits in the base year despite the commencement of production by BPCL. If the commencement of production by BPCL were the cause of injury, the domestic industry would have suffered losses immediately upon BPCL's entry into the market. It is also seen that the domestic industry recorded profits when the landed price of imports remained sufficiently higher than the cost of sales and selling price of the domestic industry, and as the landed price declined below the cost and selling price, the profits in the base year turned into losses during 2022-23, 2023-24 and the POI, with negative return on investment.

60. With regard to the submission of the other interested parties that the decline in the performance of the domestic industry is due to lack of raw material, the domestic industry has submitted that they also produce 2-Ethyl Hexanol using the same raw material. During the period of investigation, the domestic industry had sufficient stock of raw material. Despite the availability of the raw material, the domestic industry did not undertake production of the Normal Butanol, even when production of 2-Ethyl Hexanol was being undertaken. The communication from the raw material supplier has been placed on record showing that the supplier continued its production and repeatedly asked the domestic industry to lift the raw material during the period when the domestic industry's plant was shut down. The domestic industry procures Propylene exclusively from Hindustan Petroleum Corporation Limited (HPCL) through a dedicated pipeline. HPCL primarily supplies Propylene to the domestic industry, as Propylene is not an easily tradeable commodity. Therefore, the suspension or reduction in production by the domestic industry equally impacts HPCL's offtake of Propylene. Therefore, decline in the production and capacity utilisation during the period of investigation is not due to lack of raw material but due to low priced subject imports.

61. With regard to the submission of the other interested parties that the domestic industry has overstated its utilities costs on account of additional electricity charges imposed by the Andhra Pradesh Electricity Regulatory Commission, the domestic industry submitted that the additional Fuel and Power Purchase Cost Adjustment charges imposed by the Andhra Pradesh Electricity Regulatory Commission have been challenged before the Appellate Tribunal for Electricity and that the outcome of the appeal is pending. The data provided by the domestic industry has been examined, and it is seen that these charges have not been considered as part of the cost of production for the purpose of the present investigation.

62. The domestic industry submitted that the suspension of tariff concessions under Taiwan and China Economic Cooperation Framework Agreement would lead to diversion of exports to India. The domestic industry relied upon extracts from the annual report of the responding exporter to contend that the exporter itself has identified India as significant market. The Authority notes that the present investigation concerns the determination of dumping, injury and causal link on the basis of facts and evidence pertaining to the product under consideration during the period of investigation. The

Authority further notes that the statements relied upon by the domestic industry are extracted from the annual report of the responding exporter, which primarily relates to the overall performance of the company, its future business outlook and macro-economic developments affecting its business. Such statements are general in nature and are neither specific to the product under consideration nor representative of its exports to India during the period of investigation. Therefore, the Authority cannot accept the contention of the domestic industry.

63. Regarding the adoption of 22% return on capital employed for determination of non-injurious price, Annexure III requires a reasonable pre-tax return and the Authority has consistently adopted 22% ROCE. The decisions relied upon by the interested parties do not justify departure from this practice in the absence of case-specific evidence, while subsequent CESTAT decisions have upheld the Authority's approach. The Authority has considered all submissions, arguments and counterarguments on injury and causal link and examined all relevant injury parameters objectively. It is not necessary that every parameter show deterioration; the overall assessment is based on the totality of relevant economic indicators and facts on record.

G.3.1 Volume effect of the dumped imports

a. Assessment of demand/consumption

64. The Authority has determined demand or apparent consumption of the product in India as the sum of domestic sales of the domestic industry, domestic sales of other producers and imports of Normal Butanol from all sources.

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Imports from subject countries	MT	2,138	9,364	14,337	25,695
2	Imports from countries subject to measures	MT	18,250	23,256	41,656	39,334
3	Imports from other countries	MT	6,075	0	0	1,674
4	Sales of domestic industry	MT	***	***	***	***
	Trend	Index	100	75	82	65
5	Sales of other Indian producers	MT	***	***	***	***
6	**Total demand**	**MT**	***	***	***	***
	Trend	Index	100	111	150	161

65. It is seen that the demand for the product increased over the injury period by ***%. The demand for the product has increased in the period of investigation as compared to base year as well as immediately preceding year.

b. Imports in absolute and relative term

66. With regards to the volume of dumped imports, the Authority is required to consider whether there has been a significant increase in the dumped imports, either in absolute

terms or relative to production or consumption in India. For the purpose of the injury analysis, the Authority has relied on the DG system import data. The information is as below:

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Imports from subject countries	MT	2,138	9,364	14,337	25,695
2	Imports from countries subject to measures	MT	18,250	23,256	41,656	39,334
3	Imports from other countries	MT	6,075	0	0	1,674
	Indian Production	MT	***	***	***	***
	Total consumption	MT	***	***	***	***
4	Subject countries import in relation to					
a	Indian production	%	***	***	***	***
	Trend	Index	100	436	628	1157
b	Indian consumption	%	***	***	***	***
	Trend	Index	100	396	447	744
c	Total imports	%	8%	29%	26%	39%
	Trend	Index	100	355	317	477

67. It is seen that:
    i. The volume of imports from the subject countries increased over the injury period and with a sharp increase in the period of investigation.
    ii. The share of imports from the subject countries in total imports increased from 8% in the base year to 39% during the Period of Investigation. Further, the share of subject imports increased from 26% in 2023-24 to 39% during the Period of Investigation, indicating a significant increase in the share of imports from the subject countries in total imports.
    iii. The imports from subject countries in relation to Indian production have increased from [***] % in the base year to [***] % in the period of investigation.
    iv. The imports from subject countries in relation to Indian consumption have increased from [***] % in the base year to [***] % in the period of investigation.

G.3.2 Price effect of the dumped imports

68. In terms of Annexure II (ii) of the Rules, with regard to the effect of the dumped imports on prices, the Authority is required to consider whether there has been a significant price undercutting by the dumped imports as compared with the price of the like product in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree.

a. Evolution of price

69. The major raw materials required for the production of normal butanol are naphtha and propylene and the Authority has examined the raw material costs and import prices over the injury period. The table below shows the relevant information.

SN	Particulars	UOM	2021-22	2022-23	2023-24	2024-25
1	Raw material price*	Rs/MT	***	***	***	***
	Trend	Index	100	116	102	106
2	CIF Import price	Rs/MT	***	***	***	***
	Trend	Index	100	81	74	81

*DI Submissions based on Trade Map Data

70. It can be seen that while the prices of raw material have increased in 2022-23, the import price from the subject countries has declined. Although the price of raw material declined in 2023-24, the import prices from the subject countries have also declined. When seen over the injury period, the raw material prices increased by ***% or Rs [***] per MT, whereas import prices from the subject countries declined by ***% or Rs [***]. It is therefore evident that import prices have not moved in line with raw material prices.

b. Price undercutting

71. Price undercutting has been determined by comparing the net sales realization of the domestic industry with the landed price of the imports for the period of investigation. The table below shows the price undercutting from the subject countries.

SN	Subject countries	Net sales realisation	Landed price	Price undercutting		
		Rs/MT	Rs/MT	Rs/MT	%	Range
1	Saudi Arabia	***	79,471	***	***	10-20%
2	Taiwan	***	92,579	***	***	0-10%
3	Subject countries	***	86,887	***	***	0-10%

72. It is seen that landed price from the subject countries is below the selling price of the domestic industry resulting in positive price undercutting. It is seen that price undercutting is positive, and significant.

c. Price suppression and depression

73. In order to determine whether the dumped imports are depressing the domestic prices and whether the effect of such imports is to suppress prices to a significant degree or prevent price increases which otherwise would have occurred in normal course, the changes in the costs and prices over the injury period, were compared as below:

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI

1	Cost of sales	Rs/MT	***	***	***	***
	Trend	Index	100	123	107	115
2	Selling price	Rs/MT	***	***	***	***
	Trend	Index	100	78	70	72
3	Landed price	Rs/MT	1,07,092	86,980	78,857	86,887
	Trend	Index	100	81	74	81

74. It is seen that:
    i. In 2022-23, while the cost of sales of the domestic industry increased by 23 index points, its selling price declined by 22 index points. Consequently, the profits of the domestic industry declined sharply and turned into losses.
    ii. In 2023-24, both the cost of sales and the selling price of the domestic industry declined. However, since the selling price did not decline in the same proportion as the cost of sales, the profitability of the domestic industry showed some improvement, but the domestic industry continued to incur losses.
    iii. During the period of investigation, the cost of sales increased by 9 index points, whereas the selling price of the domestic industry increased by 2 index points. The selling price did not increase in line with the increase in the cost of sales. As a result, the losses of the domestic industry intensified during the same period.
    iv. The landed price of imports was above the cost of sales in 2021-22 but has steeply declined in 2022-23, 2023-24 and increased in period of investigation. The landed price of imports is below the cost of sales in 2022-23, 2023-24 and the period of investigation.
    v. Over the injury period, the cost of sales increased by ***%, but the selling price has declined by ***%. Therefore, the selling price of the domestic industry are depressed during the injury period.

G.3.3 Economic parameters of the domestic industry

75. Annexure II to the Rules provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments. The various injury parameters relating to the domestic industry are discussed below. The Authority has examined the injury parameters objectively taking into account various facts and arguments made by the interested parties in their submissions.

a. Production, capacity, capacity utilisation and domestic sales

76. The Authority has considered capacity, production, capacity utilization and domestic sales of the domestic industry over the injury period.

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Installed Capacity	MT	***	***	***	***
	Trend	Index	100	100	100	100
2	Capacity utilisation	%	***	***	***	***
	Trend	Index	100	72	78	71
3	Production	MT	***	***	***	***
	Trend	Index	100	72	78	71
4	Domestic sales	MT	***	***	***	***
	Trend	Index	100	75	82	65

77. It is seen:
    i. The capacity of the domestic industry has remained constant over the injury period.
    ii. The production and capacity utilisation of the domestic industry declined in 2022-23. The domestic industry has submitted that this decline was partially on account of a shutdown of the domestic industry plant for maintenance purposes and imports from non-subject countries.
    iii. As the plant operated during 2023-24, both production and capacity utilisation increased. However, during the period of investigation, production as well as capacity utilisation again declined. This decline was partly attributable to shutdown of the plant for some period, and due to increase in dumped imports.
    iv. Domestic sales of the domestic industry followed the same trend as production. During the period of investigation, the domestic industry was able to sell around ***% of its production, primarily because it was forced to sell the product at losses.

78. The domestic industry submitted that, due to dumped imports, it was forced to curtail production during the injury period. The domestic industry has provided daily production records which shows that the number of non-production days increased from [***] days in 2021-22 to [***] days during the period of investigation, with the production loss increasing over the injury period.

79. The domestic industry clarified that production was suspended due to a shortage of raw materials only during the period from 9 September 2024 to 5 October 2024, and due to a maintenance shutdown only during the period from 21 July 2022 to 31 August 2022. Except for these two limited periods shutdown, the domestic industry had sufficient availability of raw materials and the operational capability to undertake production. Despite that the production was curtailed during the remaining period due to adverse market conditions. Over the injury period, the domestic industry curtailed its production for [***] days.

b. Market share

80. The Authority has examined the effect of the dumped imports on the market share of the domestic industry, other Indian producers, subject countries and other countries as under.

SN	Market share of	UOM	2021-22	2022-23	2023-24	POI
1	Domestic industry	%	***	***	***	***
	Trend	Index	100	68	55	41
2	Other Indian producer	%	***	***	***	***
	Trend	Index	100	114	89	83
3	Countries subject to measures	%	***	***	***	***
	Trend	Index	100	115	152	133
4	Subject countries	%	***	***	***	***
	Trend	Index	100	396	447	744
5	Imports from other countries	%	***	***	***	***
	Trend	Index	100	0	0	17

81. It is seen that:

i. The market share of imports from subject countries increased in 2022-23, 2024-24 and the POI. However, in the period of investigation, the market share of subject countries increased sharply.

ii. The market share of the domestic industry declined over the injury period and lowest in the period of investigation.

iii. The market share of Indian industry as a whole has also declined over the injury period from [***%] in the base year to [***%] in the period of investigation.

c. Profitability, cash profit and return on capital employed

82. The performance of the domestic industry has been examined in respect of profitability, profits, cash profits, PBIT, and return on investment.

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Profit/loss	₹/MT	***	***	***	***
	Trend	Indexed	100	-13	-7	-13
2	Profit/loss	Rs Lacs	***	***	***	***
	Trend	Indexed	100	-9	-6	-8
3	Cash Profit	₹/MT	***	***	***	***
	Trend	Indexed	100	-9	-5	-11
4	Cash Profit	Rs. Lacs	***	***	***	***
	Trend	Indexed	100	-7	-4	-7
5	PBIT	Rs. Lacs	***	***	***	***
	Trend	Indexed	100	-8	-4	-7
6	ROI	%	***	***	***	***

	Trend	Indexed	100	-8	-4	-7

83. It is seen that:
    i. The domestic industry was earning profits in the base year. But with the steep decline in the landed price of imports from subject countries in 2022-23, the profits of the domestic industry declined significantly and turned into losses.
    ii. The domestic industry suffered losses in 2023-24 as well which increased in the period of investigation. With an increase in dumped imports, the losses of the domestic industry intensified during the period of investigation.
    iii. The profit per unit of the domestic industry has declined from Rs [***] per MT in the base year to a loss of Rs [***] per MT in the period of investigation.
    iv. Similar trend has been seen in the cash profit and profit before interest. Both cash profits and PBIT have declined by more than ***% respectively over the injury period and the domestic industry has suffered cash losses and negative return on capital employed in the period of investigation.
    v. The return on investment declined sharply after the base year, and turned negative in 2022-23, and remained negative for the rest of the injury period.

d. Inventories

84. The inventory position with the domestic industry over the injury period is given in the table below:

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Opening inventory	MT	***	***	***	***
2	Closing inventory	MT	***	***	***	***
3	Average inventory	MT	***	***	***	***
	Trend	Index	100	139	100	193

85. It is seen that the average inventory with the domestic industry sharply increased in 2022-23 and declined in 2023-24. However, the inventory sharply increased in the period of investigation.

86. The Authority verified the inventory of the domestic industry and notes that, despite selling more than [***%] of its production, the closing inventory of the domestic industry during the period of investigation is materially high.

e. Employment, wages and productivity

87. Employment, wages and productivity of the domestic industry over the injury period is given in the table below:

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	No of employee’s	Nos.	***	***	***	***
	Trend	Index	100	99	105	101

2	Salaries & Wages	Rs. Lacs	***	***	***	***
	Trend	Index	100	80	72	91
3	Productivity Per day	MT	***	***	***	***
	Trend	Index	100	72	78	71
4	Productivity Per employee	MT	***	***	***	***
	Trend	Index	100	73	74	71

88. It is noted that the no. of employees, productivity per day and productivity per employee declined in 2022-23 and increased in 2023-24 but declined again in the period of investigation. Salaries and wages declined till 2023-24 but has increased again in the period of investigation.

f. Growth

89. The growth of the domestic industry in terms of capacity, production, domestic sales volume, PBT, PBIT, cash profits and the return on capital employed is as per given table below:

SN	Particulars	UOM	2022-23	2023-24	POI
1	Production	Y/Y	-28%	8%	-8%
2	Capacity Utilisation	Y/Y	-20.73%	4.06%	-4.49%
3	Domestic Sales	Y/Y	-25%	10%	-21%
4	Inventory	Y/Y	39%	-28%	92%
5	Profit Per Unit	Y/Y	-113%	47%	-94%
6	Profit in Rs Lacs	Y/Y	-109%	41%	-54%
7	Cash Profit in Rs Lacs	Y/Y	-107%	34%	-65%
8	ROCE	Y/Y	-61%	2%	-1%

90. It is seen that the growth of the domestic industry during the period of investigation has been a negative in all the price and volume parameters compared to previous year.

g. Ability to raise capital investment

91. The Authority notes that the domestic industry is suffering from financial losses and a negative return on capital employed. There is a demand-supply gap in the country, however, the current performance does not justify fresh investment. Therefore, the ability to raise capital has been severely impacted, preventing the domestic industry from expanding its capacity.

h. Factor affecting the domestic prices.

92. The examination of DG System imports data shows that the landed price from the subject countries is below the cost of sales and the selling price of the domestic industry and forced to sell the product at losses. The domestic industry has been unable to increase its selling price commensurate with the changes in the cost of sales. Consequently, the domestic industry continued to suffer from losses with negative

return on investment in 2022-23, 2023-24 and the period of investigation. There is significant price effect of the imports due to low priced imports from subject countries. The Authority therefore holds that the imports from the subject countries have affected the prices of the domestic industry.

i. Magnitude of dumping

93. It is seen that the dumping margin is positive and significant for both the subject countries.

G.3.4 Observation on injury

94. The examination of the imports of the product under consideration and performance of domestic industry shows that:
    a. The imports from the subject country have increased from 2,138 MT in the base year to 25,695 MT. The imports have increased in absolute terms.
    b. The imports in relation to production increased from [***%] in the base year to [***%] in the period of investigation. The imports in relation to consumption increased from [***%] in the base year to [***%] in the period of investigation. The imports have increased in relative term.
    c. The landed price is below the selling price of the domestic industry, resulting in positive price undercutting.
    d. The landed price has remained below the cost of sales of the domestic industry in the period of investigation. As a result, the domestic industry has been unable to adjust its prices in line with the changes in the cost. The prices of the domestic industry were depressed in the period of investigation.
    e. The production, domestic sales and capacity utilization of the domestic industry declined in the period of investigation.
    f. The market share of the domestic industry has declined over the injury period. Whereas the market share of the subject countries increased during the same period.
    g. The average inventory has increased during the injury period
    h. Profitability of the domestic industry turned negative in 2022-23 and continued to be in losses for the remaining of the period.
    i. Cash profit, PBIT and return on capital employed of the domestic industry similarly turned negative in 2022-23 and remained negative for the remaining period.
    j. The domestic industry suffered in the growth of both volume and price parameters in the period of investigation.
    k. The domestic industry’s ability to raise capital has been adversely impacted.
    l. The dumped imports have affected the prices of the domestic industry.
    m. The dumping margin is positive and significant during the period of investigation.

H. CAUSAL LINK & NON-ATTRIBUTION ANALYSIS

95. As per the Rules, the Authority, inter alia, is required to examine any known factors other than the dumped imports which are injuring or are likely to cause injury to the domestic industry, so that the injury caused by these other factors may not be attributed to the dumped imports. Factors which may be relevant in this respect include, inter alia, the volume and prices of imports not sold at dumped prices, contraction in demand or changes in the patterns of consumption, trade restrictive practices of and competition between the foreign and the domestic producers, developments in technology and the export performance and the productivity of the domestic industry. It has been examined below whether the factors listed under the Rules could have contributed to the injury suffered by the domestic industry.

a. Volume and price of imports from third countries

96. Apart from imports from the present subject countries, there were imports from Malaysia, South Africa and the USA, which were already subject to anti-dumping measures. These imports have been treated as a separate known factor and have not been included in the present subject imports. Imports from all other countries were de minimis. The effect of the imports already under measures is further examined in the post-disclosure non-attribution analysis below.

b. Contraction in demand

97. It is seen that the demand for the product under consideration has increased over the injury period.

c. Trade restrictive practices

98. It is seen that there is no trade restrictive practice which has caused or is likely to cause injury to the domestic industry.

d. Development of technology

99. It is noted that information on record shows that technology for production of the product has not undergone any change.

e. Export performance

100. The domestic industry has not exported the product to the international market.

f. Performance of other products of the company

101. The Authority has considered data relating to the performance of the subject goods only.

g. Causal link between dumping and injury

102. The Authority has examined the other known factors separately. Some of these factors may have affected the domestic industry to a limited extent. However, after considering them, the evidence shows that the dumped imports from the present subject countries made a material contribution to the injury suffered by the domestic industry. The causal link is supported by the following facts:

   a. The imports from subject countries are at dumped prices.

b. Imports price is below the cost of the domestic industry and have prevented it from charging adequate remunerative prices. As a result, the dumped imports have depressed the prices of the domestic industry.
c. The domestic industry profitability turned into losses in 2022-23 and continued to be in losses in the period of investigation.
d. As the dumped imports from the subject countries are at low prices, they hold significant share in the domestic demand.
e. The production, domestic sales and capacity utilisation of the domestic industry have declined in the period of investigation.

I. MAGNITUDE OF INJURY MARGIN

103. The Authority has determined the NIP for the domestic industry on the basis of principles laid down in AD Rules read with Annexure III, as amended. The NIP of the product under consideration has been determined by adopting the information/data relating to the cost of production provided by the domestic industry. The NIP has been considered for comparing the landed price from the subject countries for calculating injury margin. For determining the NIP, the best utilisation of the raw materials and utilities has been considered over the injury period. Best utilisation of production capacity over the injury period has been considered. Extraordinary or non-recurring expenses have been excluded from the cost of production. A reasonable return (pre-tax @ 22%) on average capital employed (i.e., average net fixed assets plus average working capital) for the product under consideration was allowed as pretax profit to arrive at the NIP as prescribed in Annexure III to the AD Rules.

104. The landed price and non-injurious price determined as above have been compared for the product under consideration. The injury margin determined for the producers/exporters is provided in the table below:

SN	Particular	NIP	Landed	Injury margin	Injury Margin %	Injury Margin %
		(USD/MT)	(USD/MT)	(USD/MT)	%	Range
A	**Taiwan**					
1.	Formosa Plastics Corporation	***	***	***	***	0-10%
2	Any other producer/exporter	***	***	***	***	20-30%
B.	**Saudi Arabia**					
1.	Any producer/ exporter	***	***	***	***	20-30%

J. INDIAN INDUSTRY INTEREST AND OTHER ISSUES

J.1 Submission made by the other interested parties

105. The other interested parties have made the following submissions with regard to the Indian industry's interest:
   i. Duties would raise input costs for downstream industries leading to higher prices for essential products and adversely impacting consumers and MSMEs.
   ii. The domestic market is no longer dependent on a single producer. Restricting imports would not meaningfully benefit the domestic industry but would reduce competition and risk of monopoly behaviour.
   iii. Higher duties would disrupt supply chains for downstream users who rely on stable and reliable imports. Unlike global integrated producers, APL's dependence on external feedstock has led to supply disruptions and loss of customer confidence issues that duties cannot remedy.
   iv. Duties would suppress competition, distort market signals, and incentivize domestic price increases, harming downstream industries more than benefiting the petitioner.
   v. The evidence on record shows that the operating margins are extremely thin. Even marginal increases in input costs have a disproportionate impact on viability of the downstream industry.
   vi. The existing anti-dumping duties already result in cost increases ranging from 0.5% to 7%. These cost increase exceed downstream profitability and cannot be passed on due to intense market competition.
   vii. Continuation of duties would result in severe economic harm to downstream industries, including risks of plant shutdowns, job losses, reduced export competitiveness, and substitution of domestic manufacturing by imports of finished goods.

J.2 Submission made by the domestic industry

106. The domestic industry has made the following submissions with regard to the Indian industry's interest:
   i. The product is majorly used in plasticizers and paints industry, the impact of the measures on end product is around 1%.
   ii. The product has been subject to anti-dumping duty measures in the past, and there has not been a single instance of any adverse impact of the anti-dumping duty on the downstream industry.
   iii. Despite anti-dumping duties have remained in force for 8–9 years but the demand has shown a continuous increasing trend.
   iv. When the landed price of imports from subject countries remained at a high level, total demand continued to rise in subsequent years. The downstream industry was able to absorb higher input costs without any adverse impact on overall demand growth.
   v. The producers in the subject countries focus solely on profits and have no interest in the long-term development of the Indian market. They will divert sales if better

prices are available elsewhere. In contrast, the Indian industry, being domestic, considers the interests of Indian consumers.

vi. If the duties result in the restrictions of imports, it will not lead to the monopolising of the applicant in the Indian market. There are imports from non-subject countries as well and there is another producer in the Indian market.

vii. The applicant has allocated Rs 2,68,64,978 CSR Expenditure for FY 2024-25. The entire CSR amount was disbursed to non-profit hospital

viii. On the submission that the operating margin of the users are extremely thin and marginal increase in the cost have impact on viability, financial performance show that users have earned reasonable profits over the years, despite duties are in place. The user industry reported high profits when the prices were highest level.

ix. On submission that the imposition of duties would increase the cost and adversely affect the users, anti-dumping duties is remedial in nature and are imposed only to offset the injurious effects of dumping.

x. The impact of anti-dumping duties on the downstream products would be minimal as impacts on Butyl Stearate, Butyl Glycidyl Ether, Acetyl Tributyl Citrate would be 1% only.

xi. Indian industry have the capacity to cater around [***]% of demand in India. The importers/ downstream users are left with various choice to choose their suppliers of the product. No positive evidence has been placed to demonstrate adverse impact on public interest.

J.3 Examination by the Authority

107. It was examined whether the imposition of imposition of anti-dumping duty will be against public interest. This determination is based on consideration of information on records and interests of various parties including the domestic industry, foreign producers and consumers.

108. The purpose of anti-dumping measures, in general, is to eliminate injury caused to the applicant by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country. It is noted that the anti-dumping duties might affect the price levels of the product under consideration as well as other downstream products manufactured by using the subject goods in India. However, fair competition in the Indian market will not be reduced by the imposition of anti-dumping measures.

109. It is noted that imposition of anti-dumping duty does not restrict imports. Imports will continue to happen at fair prices. Anti-dumping duty ensures that the imports are entering the Indian market at fair prices and a level playing field is maintained between the foreign exporters and the domestic industry.

110. The Authority had prescribed an economic interest questionnaire which was sent to all interested parties in this investigation. The domestic industry, Formosa Plastics

Corporation, Sabic group, KLJ Petroplast Limited, KLJ Resources Limited, KLJ Plasticizers Limited and Payal Polyplast Private Limited have filed economic interest questionnaire. It is seen that KLJ Petroplast Limited and KLJ Resources Limited are traders of the product under consideration and not users.

111. Domestic industry has quantified the impact of anti-dumping duty as below.

SN	Particulars	UOM	Butyl Stearate	Butyl Glycidyl Ether	Acetyl Tributyl Citrate
1	Selling price	Rs/Kg	400	380	450
2	Present ADD	Rs/Kg	8	8	8
3	Consumption norm	Kg	0.31	0.63	0.68
4	Impact of ADD	Rs/Kg	2.48	5.04	5.44
5	Impact of ADD	%	1%	1%	1%

112. The participating users have claimed that duties will have adversely affect on the downstream industry. With regard to the contention of the interested parties that imposition of anti-dumping duty would adversely affect downstream industries as they operating on thin margins and would viability of the downstream industry. To examine the impact of the duties, Appendix 2 filed by the participating users has been examined.

113. The table below shows the information provided by the KLJ Plasticizers Limited and the impact of anti-dumping duty on the downstream products produced by them.

SN	Particulars	UOM	UOM	DBM	KANATOL 1056	NBS	ATBC	K-DBS
1	Selling price	Rs/ MT	A	***	***	***	***	***
2	Consumption norms of PUC	MT/ MT	B	***	***	***	***	***
3	CIF import price	Rs/ MT	C	***	***	***	***	***
4	Share of PUC in the final product	Rs/ MT	D = B X C	***	***	***	***	***
5	Share of PUC in the final product price	%	E = D/A	***	***	***	***	***
6	ADD (lowest)	Rs/ MT	F	***	***	***	***	***
7	ADD (lowest)	%	G = F/C	***	***	***	***	***
8	Impact of duty	%	H = G X E	***	***	***	***	***

Source – Appendix 2 of KLJ Plasticizers Limited

114. The table below shows the information provided by the Payal Polyplast Private Limited and the impact of anti-dumping duty on the downstream products produced by them.

SN	Particulars	UOM	UOM	DBM	NDBP
1	Selling price	Rs/MT	A	***	***
2	Cost of PUC	Rs/MT	B	***	***
3	Share of PUC in the final product	%	C=B/A	***	***
4	ADD (lowest)	Rs/MT	E	***	***
6	CIF import price	Rs/MT	F	***	***
7	ADD	%	G = E/F	***	***
8	Impact	%	H = C X G	***	***

Source – Appendix 2 of Payal Polyplast Private Limited

115. On the basis of the illustrative duty of ₹680/MT used in the above economic-interest calculations, the estimated impact is below 0.5% for the products shown. This is only an illustration based on that assumed duty. The actual impact of the measure in the present investigation will depend on the producer-specific duty rate and the sourcing mix of each user.

116. The Authority recognizes that an anti-dumping duty may increase the cost of the imported input. At the same time, the duty does not prohibit imports. Users may continue to source from the subject countries at the applicable rate and may also source from domestic producers and other countries. The final assessment of the downstream impact, including the objection to the above illustration, is set out in the post-disclosure examination below.

117. The Authority notes that anti-dumping duties on imports of Normal Butanol from USA, South Africa and Malaysia are already in force pursuant to the final findings issued in the sunset review investigation. After examining the submissions of all interested parties, including those relating to the impact of duties on downstream users and public interest, the Authority had recommended continuation of the anti-dumping duties.

118. The earlier sunset review concerning Malaysia, South Africa and the USA is based on the facts of that investigation and is not treated as proof of the public-interest position in the present case. It nevertheless shows that anti-dumping duties on Normal Butanol have operated in the market while downstream production and demand continued. This fact has been considered only as background, together with the information filed by the participating users in the present investigation.

119. The increase in demand during the period when earlier anti-dumping duties were in force does not, by itself, prove that duties have no effect on users. It does, however, show that the downstream market continued to operate and expand while such duties

were in place. The Authority has considered this fact along with the user-specific information on record.

120. The domestic industry submitted that the continued imposition of anti-dumping duties on imports from Malaysia, USA and South Africa encouraged another domestic producer to establish production facilities for normal butanol in India. In 2021, Bharat Petroleum Corporation Limited commenced commercial production of normal butanol, along with other oxo-alcohols, with an installed capacity of 38,000 MT. In the post-period of investigation, Indian Oil Corporation Limited commissioned a plant for normal butanol with an installed capacity of 90,000 MT. It is noted that while a part of the capacity is intended for captive consumption, the product is also supplied to the domestic market. The combined capacity of the domestic industry, BPCL, and IOCL is sufficient to meet more than 80% of the demand in the country.

K. POST-DISCLOSURE COMMENTS

K.1 COMMENTS BY THE OTHER INTERESTED PARTIES

Time allowed for comments and disclosure of essential facts

121. General Authority for Foreign Trade, Government of Saudi Arabia (hereinafter referred to as "GAFT") and the Saudi producers/exporters submit that the disclosure statement was issued on 18 September 2026, with comments due on 22 September 2026, leaving insufficient time to examine it and defend their interests. They also submit that the source and methodology for the Saudi residual determination, particularly the export price and certain elements of constructed normal value, were not adequately disclosed. They seek a fresh disclosure if the basis of determination changes.

Domestic industry and standing

122. The SABUCO group reiterates that Andhra Petrochemicals Limited does not constitute a major proportion of Indian production, noting that BPCL's production leaves the applicant with only about one-third of total Indian production. It also questions repeated use of trade-remedy measures on the product.

Saudi producer group, Sadara, propylene cost and use of facts available

123. GAFT and the Saudi respondents challenge the rejection of the responses filed by the SABUCO group, SABIC, Saudi Kayan and related entities. They submit that Sadara neither sold the subject goods in Saudi Arabia nor exported them during the POI, and that its non-participation should not lead to rejection of the entire producer-group response.

124. They further submit that propylene information was available on record, including Saudi Kayan's production cost, purchase invoices, ICIS benchmarks and SAAC's purchases from an unrelated supplier. They argue that Rule 6(8) should replace only the information actually missing and should not operate as a penalty. They also state that SABIC's export price has not been questioned and seek individual dumping and injury margins for the cooperating Saudi group.

Volume and price effects in a growing market

125. The importer-users and Saudi respondents submit that Indian demand increased by about 60% during the injury period and imports were needed to bridge the demand-supply gap. They contend that rising imports in a growing market do not, by themselves, show displacement of domestic production, and that price undercutting or a price difference alone does not establish that subject imports caused the decline in domestic prices.

Causal link, earlier sunset review and other known factors

126. The importer-users, GAFT and the Saudi respondents submit that the same domestic-industry performance data was examined in the earlier sunset review concerning Malaysia, South Africa and the USA. They note that imports from those countries were about 39,334 MT in the POI, higher than the present subject imports, and argue that their effects must be separated from those of Taiwan and Saudi Arabia.

127. They also rely on the domestic industry's Annual Report, citing propylene shortages, maintenance shutdowns, dependence on HPCL, BPCL's entry, lower international oxo-alcohol prices, finance costs and other market conditions. They submit that these factors require separate non-attribution analysis before injury is attributed to the present subject imports.

Non-injurious price, 22% return and injury margin

128. The importer-users submit that injury margin cannot substitute for separate findings on material injury and causal link. They also seek reconsideration of the 22% return on capital employed used for non-injurious price. The SABUCO group seeks an individual injury margin if its questionnaire response is accepted.

Downstream impact and public interest

129. The importer-users submit that the impact analysis based on an illustrative duty of ₹680/MT, or about 0.85% of the assumed CIF price, does not reflect the full range of possible duties. They request that the final assessment consider the actual producer-specific duty, consumption norms, sourcing pattern and profitability of participating users.

Formosa Plastics Corporation: lesser duty and correct name

130. Formosa Plastics Corporation requests application of the lesser duty rule because its injury margin is lower than its dumping margin. It also requests that its name be correctly shown as “Formosa Plastics Corporation” in the final findings and duty table.

K.2 COMMENTS BY THE DOMESTIC INDUSTRY

Request to confirm dumping, injury and causal link

131. The domestic industry requests confirmation of the disclosed findings that the subject goods are dumped, that it has suffered material injury, and that dumped imports from the subject countries materially contributed to such injury.

Saudi producer group and related-party propylene transactions

132. The domestic industry submits that its letter dated 6 July 2026 specifically raised Sadara's non-participation and incomplete information on related-party propylene transactions. It states that Sadara represents one-third of the SABUCO joint venture and that the reported propylene transfer prices have not been shown to be at arm's length. It therefore seeks continued use of facts available for the Saudi producer group.

Possible diversion of exports from Taiwan

133. The domestic industry requests examination of likely further imports from Taiwan. Relying on Chinese anti-dumping measures and suspension of certain ECFA tariff concessions for Taiwanese products, it submits that these developments may divert exports to India.

Low import prices and production curtailment

134. The domestic industry submits that, during the POI, the landed price of subject imports was below its variable cost, forcing it to sell at unremunerative prices. It states that this price pressure caused losses and production curtailment even when raw material was available.

Downstream impact, domestic investment and duration of duty

135. The domestic industry relies on the economic-interest responses to submit that downstream impact is limited. It also refers to the new capacities of BPCL and IOCL and submits that fair-priced imports are important for the viability of these investments. It seeks anti-dumping duty for five years.

K.3 EXAMINATION BY THE AUTHORITY

Findings not specifically modified by the post-disclosure examination

136. The Authority has considered the post-disclosure comments of the domestic industry, GAFT, Saudi producers/exporters, importer-users and Formosa Plastics Corporation, along with the information already on record. Except where specifically examined below, the determinations recorded above remain unchanged.

Time allowed for comments and disclosure of essential facts

137. The Authority notes the concern about the time available after disclosure. The disclosure statement set out the essential facts under consideration, and the interested parties had participated through questionnaire responses, verification, oral hearing and written submissions. Detailed post-disclosure comments were also filed and examined. As no new adverse factual basis has been relied upon after disclosure, the request for fresh disclosure is not accepted.

138. For the Saudi residual determination, the normal value was constructed using the international price of propylene, consumption norms, other conversion, selling and general cost elements on record, and a reasonable profit. The residual export price is based on transaction-wise DG Systems import data, with appropriate adjustments to derive net export price. The Authority has therefore used information on record under Rule 6(8).

Domestic industry and standing

139. The applicant accounts for about [***%] of total Indian production, above the 25% minimum threshold under Rule 5(3). BPCL did not support or oppose the application despite being approached. In these circumstances, the Rules do not require the applicant alone to account for more than 50% of total Indian production. The Authority therefore confirms that the applicant is an eligible domestic industry under Rule 2(b) and that the application had the required standing.

Saudi producer group, Sadara and the use of facts available

140. The Authority has considered Sadara's letter stating that it did not sell or export Normal Butanol during the POI and captively consumed its allocated quantity. However, its information remains necessary. Sadara is one of three joint-venture partners, owns the raw material and Normal Butanol produced for its share, and accounts for a material part of production through SABUCO. Its cost and raw-material information is therefore relevant to verifying the producer group's cost of production.

141. The Authority has also considered Saudi Kayan's propylene production cost, purchase invoices, ICIS benchmarks and SAAC's purchases from an unrelated supplier. These materials address only part of the propylene chain and do not provide complete, verifiable information for all three joint-venture partners or establish the principal raw-material cost for the group as a whole. An unrelated purchase by one partner cannot replace missing information from other material entities.

142. Rule 6(8) has not been applied as a penalty. It applies because the missing information concerns a core element of normal value—the cost of the principal raw material—and prevents a reliable individual cost determination for the group. Verifiable export transactions do not cure the missing information required for normal value. Accordingly, a reliable individual dumping margin cannot be determined for the SABUCO group, the residual rate continues to apply, and no separate individual injury margin is warranted.

Possible diversion of exports from Taiwan

143. The Authority has examined the submissions concerning Chinese anti-dumping measures and the suspension of tariff concessions under ECFA. While such developments may affect trade flows, no product-specific evidence has been placed on record to establish diversion of Normal Butanol exports to India. The present determination is based on the actual volume and price effects of dumped imports, material injury suffered by the domestic industry and the causal link established during the POI, rather than any prospective threat of injury. Accordingly, the alleged likelihood of trade diversion has not been relied upon in arriving at the present findings.

Volume and price effects, including the demand-supply gap

144. Demand for Normal Butanol increased by about 60% over the injury period. However, subject imports increased from 2,138 MT in the base year to 25,695 MT in the POI. Their share of total imports rose from 8% to 39%, and their share of Indian consumption from about [***%] to about [***%]. Subject imports therefore increased much faster than demand.

145. A demand-supply gap may explain the need for imports, but not imports at dumped and injurious prices. In the POI, the landed price of subject imports was below the domestic industry's selling price and price undercutting was positive. Over the injury period, the domestic industry's cost of sales rose about 15% while its selling price fell about 28%. Subject import prices fell about 19% despite an overall increase in major raw-material prices. The Authority therefore relies not on undercutting alone, but on the combined volume growth, landed prices and price-cost movement.

Causal link and non-attribution

146. The earlier sunset review concerned Malaysia, South Africa and the USA and involved different subject countries and a different review question. Although the same

domestic-industry performance data may be relevant to both proceedings, causation here has been examined separately with reference to imports from Taiwan and Saudi Arabia. The earlier sunset review has not been treated as proof of causation in this investigation.

147. The Authority has also considered the 39,334 MT of imports from countries already subject to anti-dumping measures. Those imports have been kept separate as a known market factor. Their presence does not remove the separate effect of present subject imports, whose volume and market share rose sharply and whose landed prices were below the domestic industry's cost and selling price. The Authority does not attribute the entire deterioration exclusively to Taiwan and Saudi Arabia; it finds that present subject imports materially contributed to the injury.

148. Raw-material shortages and maintenance shutdowns have also been examined. The identified propylene shortage and maintenance shutdown covered limited periods. During the remaining periods, the record shows raw-material availability and continued production of 2-Ethyl Hexanol using the same feedstock. These events may explain part of the lost production, but not the sustained price undercutting, losses and negative return during the injury period.

149. BPCL commenced production in 2021, when the domestic industry was still profitable, and the market share of Indian producers as a whole later declined. The deterioration therefore cannot be explained only by a transfer of sales from the applicant to BPCL. Demand also increased during the injury period, so demand contraction does not explain the injury. Although lower international oxo-alcohol prices were considered, subject import prices also fell sharply and landed prices remained below the domestic industry's cost. These factors do not break the causal link.

Non-injurious price, 22% return and injury margin

150. The Authority agrees that injury margin does not substitute for separate findings on material injury and causal link; those findings have been made independently of the non-injurious price. For determining the non-injurious price, Annexure III requires a reasonable pre-tax return. The Authority has applied its consistent practice of allowing a 22% return on capital employed, as no evidence in this case justifies a different rate.

Downstream impact and public interest

151. The Authority agrees that the earlier illustration based on ₹680/MT, or about 0.85% of the assumed CIF price, does not reflect the full range of producer-specific duties. It therefore does not treat the statement that impact is below 0.5% as the sole basis of the public-interest assessment. Actual impact will vary with the applicable producer-specific duty, the user's consumption norm and sourcing mix.

152. At the same time, the record does not show that the recommended measure would make downstream production unviable. Imports are not prohibited; users may continue importing at the applicable rate or source from domestic producers and other countries. Formosa Plastics Corporation is entitled to its lower rate under the lesser duty rule, and domestic capacity has increased with BPCL and, after the POI, IOCL. The Authority therefore finds no basis to withhold the measure solely on public-interest grounds. BPCL and IOCL investments are relevant to supply availability, but are not an independent legal basis for duty.

Formosa Plastics Corporation: lesser duty rule and correct name

153. The lesser duty rule has been applied. As Formosa Plastics Corporation's injury margin is lower than its dumping margin, the recommended duty for its eligible exports is based on the lower margin. Its correct name, “Formosa Plastics Corporation”, is used in the final duty table.

Period of the measure

154. The domestic industry's request for a five-year measure has been noted. In view of the affirmative findings on dumping, material injury and causal link, definitive anti-dumping duty is recommended for the normal five-year period, subject to applicable statutory provisions.

L. CONCLUSION

155. Having examined the submissions filed by the interested parties, the post-disclosure comments and the facts available on record, the Authority concludes as follows:

a. The product under consideration is Normal Butanol, also known as N-Butyl Alcohol, classifiable under tariff item 2905 13 00. The customs classification is indicative and does not determine the scope of the product under consideration.

b. The Andhra Petrochemicals Limited constitutes the domestic industry within the meaning of Rule 2(b) of the Anti-Dumping Rules and the application satisfies the requirements of standing under Rule 5(3).

c. Formosa Plastics Corporation has cooperated in the investigation and has been determined an individual dumping margin. The information filed by the participating Saudi producer/exporter groups was not sufficient for a reliable individual determination for the reasons recorded above; accordingly, the Saudi Arabia determination has been made on the basis of facts available under Rule 6(8).

d. The product under consideration has been exported to India from Taiwan and Saudi Arabia at dumped prices. The dumping margins determined for the subject countries are positive and significant.

e. The domestic industry has suffered material injury during the period of investigation, as is evident from the following:

(i) Subject imports increased from 2,138 MT in the base year to 25,695 MT in the period of investigation and increased materially in relation to Indian production and consumption.

(ii) The landed price of the subject imports was below the selling price and cost of sales of the domestic industry, resulting in positive price undercutting and preventing the domestic industry from obtaining remunerative prices.

(iii) Production, domestic sales and capacity utilisation of the domestic industry declined in the period of investigation, while its market share declined over the injury period and the market share of the subject imports increased.

(iv) Inventories increased, profitability turned negative from 2022-23 onwards, and cash profit, PBIT and return on capital employed remained adverse through the remaining injury period. The domestic industry also recorded negative growth in the period of investigation and its ability to raise capital was adversely affected.

f. The other known factors identified on record, including imports from countries already subject to measures, raw-material supply constraints, maintenance shutdowns, the entry of another Indian producer and movements in international prices, have been examined separately. These factors do not break the causal link. The dumped imports from the present subject countries have materially contributed to the injury suffered by the domestic industry.

g. The injury margins determined for the producers/exporters from the subject countries are positive.

h. No interested party has established that the recommended measure would cause a disproportionate adverse impact on downstream users or consumers. Anti-dumping duty does not prohibit imports; it is intended to restore fair competition. The availability of domestic production, imports from other sources and continued imports from the subject countries at fair prices has also been considered in the public-interest assessment.

M. RECOMMENDATIONS

156. The Authority notes that the investigation was initiated and notified to all interested parties and adequate opportunity was provided to the domestic industry, producers/exporters, importers/users and other interested parties to provide information and make submissions on dumping, injury and causal link. Having conducted the investigation in accordance with the Act and the Anti-Dumping Rules, the Authority considers that imposition of anti-dumping duty is necessary to offset the dumping and consequent injury to the domestic industry and accordingly recommends imposition of anti-dumping duty on imports of the subject goods from the subject countries.

157. Having regard to the lesser duty rule followed by the Authority, the Authority recommends anti-dumping duty equal to the lesser of the dumping margin and the injury margin. Accordingly, anti-dumping duty is recommended on imports of the subject goods originating in or exported from the subject countries, from the date of notification to be issued by the Central Government, for a period of five (5) years, equal to the amount indicated in column 7 of the duty table below:

DUTY TABLE

S.No.	Heading	Description	Country of Origin	Country of Export	Producer	Amount (US$/MT)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	2905 13 00	Normal Butanol or N-Butyl Alcohol	Taiwan	Any country including Taiwan	Formosa Plastics Corporation	71
2	-do-	-do-	Taiwan	Any country including Taiwan	Any producer other than S. No. 1	240
3	-do-	-do-	Any	Taiwan	Any	240

			country other than subject countries			
4	-do-	-do-	Saudi Arabia	Any country including Saudi Arabia	Any	225
5	-do-	-do-	Any country other than Saudi Arabia	Saudi Arabia	Any	225

Note - The application of the individual duty rate specified above for Formosa Plastics Corporation shall be conditional upon presentation to the Customs authorities of a valid commercial invoice on which a declaration, dated and signed by an official of the entity issuing such invoice and identified by name and function, shall appear in the following form:

> *"I, the undersigned, certify that the (volume) of Normal Butanol / N-Butyl Alcohol sold for export to India covered by this invoice was manufactured by Formosa Plastics Corporation, Taiwan. I declare that the information provided in this invoice is complete and correct."*

If no such invoice is presented, the duty applicable to all other producers of Taiwan shall apply. This requirement is without prejudice to the verification procedures independently undertaken by the Customs authorities under the applicable customs laws and regulations.

N. FURTHER PROCEDURE

158. An appeal against the determination of the Designated Authority in these final findings shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with the relevant provisions of the Act and the Rules.

Digitally signed by
Amitabh Kumar
Date: 25-09-2026
17:18:48

Amitabh Kumar

Designated Authority