ANTI-DUMPING / SUNSET REVIEW FINAL FINDINGS

DGTR recommends continuing anti-dumping duty on normal butanol from Malaysia, South Africa and USA

DGTR recommends five more years of anti-dumping duty on normal butanol from Malaysia, South Africa and the USA, at USD 13.24 to USD 149.31 per MT.

THE DIRECTORATE GENERAL of Trade Remedies has issued final findings, dated April 9, 2026, in the sunset review of the anti-dumping duty on imports of "Normal Butanol" or "N-Butyl Alcohol" from Malaysia, South Africa and the United States (Case No. AD (SSR)-09/2025). The review was sought by Andhra Petrochemicals Limited, which asked for the duty to be extended and enhanced, and was initiated on September 27, 2025. The application also named the European Union and Singapore, but initiation against them was found not justified.

KEY FACTS

MEASURE

Anti-dumping

STAGE

Sunset review final findings

COUNTRIES

Malaysia, South Africa, United States

DATED

April 9, 2026

REFERENCES

Case No. – AD (SSR)- 09/2025

F. No. 7/16/2025 – DGTR

CG-DL-E-15042026-271809

HS CODES 2

2905	2905 13 00

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Case No. – AD (SSR)- 09/2025 · Sunset review final findings · April 9, 2026

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The duty was first imposed by Customs Notification No. 13/2016-Customs (ADD) dated April 13, 2016, after an original investigation that also covered the European Union and Singapore, and was extended for five years after the first sunset review by Notification No. 21/2021-Customs (ADD) dated April 12, 2021. It was effective until April 12, 2026 and was extended by three months, to July 12, 2026, by Notification No. 02/2026-Customs (ADD). The period of investigation is April 1, 2024 to March 31, 2025.

Three Malaysian companies took part; no producer from South Africa or the USA did. DGTR found dumping margins of 0-10% to 20-30%, positive for every producer and exporter except BASF Petronas Chemicals Sdn. Bhd., and injury margins of 0-10% to 20-30%. Imports from the three countries rose from 18,250 MT in 2021-22 to 39,334 MT in the period of investigation, undercut the domestic industry's prices by 0-10% in the period of investigation and entered below its cost of sales from 2022-23 onward. The domestic industry's production, sales and market share fell, and it moved from profit to losses, with cash losses and a negative return on capital employed in the period of investigation.

Citing continued dumping, rising imports despite the duty and third-country exports priced below the price to India and below the non-injurious price, DGTR finds dumping and injury likely to continue or recur if the duty ends. It recommends continuing the duty imposed in 2021 for five more years, with producers and exporters that did not take part given the residual duty. The rates are USD 26.59 per MT for BASF Petronas Chemicals Sdn. Bhd., USD 51.42 per MT for PETRONAS Chemicals Derivatives Sdn Bhd, USD 149.31 per MT for other Malaysian producers, USD 13.24 per MT for South Africa and USD 24.16 per MT for the USA. The applicant had sought enhancement; DGTR found the quantum of duty did not need to be modified. The Central Government is to issue the notification.

Measure	Anti-dumping
Stage	Sunset review final findings
Case number	Case No. – AD (SSR)- 09/2025

File number	F. No. 7/16/2025 – DGTR
Dated	April 9, 2026
Published in the Gazette	April 9, 2026
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Gazette ID	CG-DL-E-15042026-271809
Product	Normal Butanol or N-Butyl Alcohol
What it covers	Normal Butanol, a primary alcohol with a 4-carbon structure, used as a solvent for acid-curable lacquers and baking finishes derived from urea, melamine or phenolic resins; a large part is converted into derivatives used as solvents in coating industries and printing inks. It is also used as an extractant in the production of drugs and natural substances, an additive in polishes and cleaners, a solubilizer in the textile industry, an additive in deicing fluids, an anti-icing additive in gasoline, a humectant for cellulose nitrate, a feedstock for glycol ethers and flotation aids (Butyl Xanthate), and a starting material for Butyl mono Carboxylates, Butyl Acetate and Butyrate. It is made industrially from propylene, which is converted to butyraldehyde by the oxo process and then hydrogenated; naphtha and propylene are the major raw materials. The scope is the same as in the original investigation. The product is classified under sub-heading 2905 and imported under 29051300; the customs classification is indicative only and not binding on the scope.
Customs codes	2905, 2905 13 00
Countries	Malaysia, South Africa, United States
Applicant	Andhra Petrochemicals Limited
Period of investigation	1st April 2024 to 31st March 2025
Injury period	2021-22, 2022-23, 2023-24 and the period of investigation
Findings	• Andhra Petrochemicals Limited was the sole Indian producer in the original and first sunset review investigations; Bharat Petroleum Corporation Limited (BPCL) began commercial production in April 2021 with a capacity of 38,000 MT and neither supported nor opposed the application. The Authority holds that the applicant accounts for a major proportion of Indian production and is an eligible domestic industry under Rule 2(b), rejecting other parties' argument that its share, which they put at 35%, is too low. • Three Malaysian companies responded: BASF Petronas Chemicals Sdn. Bhd., with its related importer BASF India Limited; PC

Derivative Sdn Bhd; and Petronas Chemical Marketing (Labuan) Ltd, through which PC Derivatives exported. Normal value was based on Petronas Chemical Marketing's domestic sales and, for BASF Petronas, which had no domestic sales, constructed from its cost of production. No producer from South Africa or the USA took part, so their normal value and export price were determined on facts available.

- The dumping margin ranges are 0-10% for BASF Petronas Chemicals Sdn. Bhd. and Petronas Chemical Marketing (Labuan) Limited, 10-20% for any other Malaysian producer, and 20-30% for South Africa and the USA. The Authority finds the dumping margin positive for all producers and exporters except BASF Petronas Chemicals Sdn. Bhd., whose range in this review is shown as (0-10) in its comparison with earlier investigations.
- The injury margin ranges are 10-20% for BASF Petronas Chemicals Sdn. Bhd. and Petronas Chemical Marketing (Labuan) Limited, 20-30% for any other Malaysian producer, and 0-10% for South Africa and the USA.
- Demand rose by 60% over the injury period. Imports from the subject countries rose from 18,250 MT in 2021-22 to 41,656 MT in 2023-24 and were 39,334 MT in the period of investigation, double the base year; the Authority attributes the marginal decline in the period of investigation to a surge in imports from Taiwan and Saudi Arabia, which are also under investigation and whose imports rose from 2,138 MT in 2021-22 to 25,695 MT in the period of investigation.
- The CIF import price from the subject countries fell from Rs 1,30,801/MT in 2021-22 to Rs 82,926/MT in 2024-25 while raw material prices rose by 6%. In the period of investigation, landed prices of Rs 84,965/MT from Malaysia, Rs 87,031/MT from South Africa and Rs 89,484/MT from the USA undercut the domestic industry's prices by 0-10%, and the landed price of imports was below its cost of sales in 2022-23, 2023-24 and the period of investigation; over the injury period its cost of sales rose by 15% while its selling price fell by 28%, and the Authority finds its selling price depressed in the period of investigation.
- The domestic industry's production fell to an index of 71, its domestic sales to 65 and its market share to 41 (base year 100), and its average inventory rose to an index of 193. It earned profits in 2021-22, turned to losses in 2022-23 that intensified in the period of investigation, and suffered cash losses and a negative return on capital employed in the period of investigation. It stated

that production stopped because of a shortage of raw materials only from September 9 to October 5, 2024 and for maintenance only from July 21 to August 31, 2022, and was curtailed at other times because of market conditions.

- The Authority did not accept that the injury was caused by propylene shortages, reliance on HPCL as the sole propylene supplier, BPCL's entry or higher depreciation and interest, which it found to be less than 1% of the cost of sales; it found that the other known factors it examined do not appear to have caused injury to the domestic industry.
- On likelihood, the Authority cites continued dumping, the rise in imports despite the duty, landed prices below the domestic industry's cost of sales and the export orientation of the two participating Malaysian producers. Depending on the producer or country, 34% to 66% of third-country exports were priced below the price to India and 43% to 75% below the non-injurious price, and 40-50% (each responding Malaysian producer), 60-70% (USA) and 90-100% (South Africa) were below normal value. It also notes China's anti-dumping duties on N-butanol, extended in 2023 at 12.7% to 26% for Malaysia and 52% to 139% for the USA, as the domestic industry submitted.
- The duty in force is 1-3% of the landed price, and users' estimates of an impact of up to 7% included the 7.5% basic customs duty; demand kept rising while the duty was in force, and the Authority finds the impact on downstream industries insignificant. It notes that IOCL commissioned a 90,000 MT plant after the period of investigation, and that the capacity of the domestic industry, BPCL and IOCL together can meet more than 80% of Indian demand.

Recommendation	The Authority recommends continuation of the definitive anti-dumping duty imposed by Notification No. 21/2021-Customs (ADD) dated April 12, 2021 and extended by Notification No. 02/2026-Customs (ADD) dated January 8, 2026, on all imports of the product from Malaysia, South Africa and the USA for a further five years, in the amounts in Column (7) of the duty table. Producers and exporters that did not take part in this review are given the residual duty shown in the table. The applicant had sought extension and enhancement; the Authority found that the quantum of duty does not need to be modified, as the duty is extended on the grounds of likelihood of dumping and injury.
Duty expressed as	Amount in USD per MT

For how long	A further period of five (5) years from the date of notification to be issued in this regard by the Central Government
What happens next	The duty is recommended from the date of the notification to be issued by the Central Government. The individual rates for the named Malaysian producers apply only on presentation of a commercial invoice carrying the prescribed manufacturer declaration; otherwise the duty for all other companies applies. An appeal against the Authority's determination lies before the Customs, Excise and Service Tax Appellate Tribunal.

The duty table

Country	Producer	Duty
Malaysia (country of origin), exported from any country including Malaysia	BASF Petronas Chemicals Sdn. Bhd.	USD 26.59 per MT
Malaysia (country of origin), exported from any country including Malaysia	PETRONAS Chemicals Derivatives Sdn Bhd	USD 51.42 per MT
Malaysia (country of origin), exported from any country including Malaysia	Any producer other than mentioned in SN 1 and 2	USD 149.31 per MT
Any country other than Malaysia, South Africa and USA (country of origin), exported from Malaysia	Any producer	USD 149.31 per MT
South Africa (country of origin), exported from any country including South Africa	Any producer	USD 13.24 per MT
Any country other than Malaysia, South Africa and USA (country of origin), exported from South Africa	Any producer	USD 13.24 per MT
USA (country of origin), exported from any country including USA	Any producer	USD 24.16 per MT
Any country other than Malaysia, South Africa and USA (country of origin), exported from USA	Any producer	USD 24.16 per MT

The notification (PDF, 2.8 MB)

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Read online: indusdesk.com/dgtr/tracker/recommends-continuing-anti-dumping-duty-on-normal-butanol-271809/