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F. No. 7/18/2025 - DGTR
Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Trade Remedies)
4th Floor, Jeevan Tara Building 5, Parliament Street, New Delhi – 110001

Dated: 24.09.2025

INITIATION NOTIFICATION
CASE No. AD (SSR)- 11/2025

Subject: Initiation of sunset review investigation concerning imports of “Hydrofluorocarbon (HFC) Component R-32” originating in or exported from China PR.

1. **F. No. 7/18/2025 - DGTR:** Having regards to the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred as the ‘Act’) and the Customs Tariff (Identification, Assessment, and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended from time to time (hereinafter referred to as the ‘Rules’), SRF Limited (hereinafter referred to as the ‘applicant’) has filed an application before the Designated Authority (hereinafter referred to as the ‘Authority’), for initiation of the sunset review investigation of anti-dumping duty on imports of Hydrofluorocarbon (HFC) Component R-32 (hereinafter referred to as the ‘product under consideration’ or ‘subject goods’), originating in or exported from China PR (hereinafter referred to as the ‘subject country’).
2. In terms of Section 9A (5) of the Act, the anti-dumping duty imposed shall, unless revoked earlier, cease to have effect on expiry of five years from the date of such imposition, and the Authority is required to review whether the expiry of duty is likely to lead to continuation or recurrence of dumping or injury. In accordance with the same, the Authority is required to review, on the basis of a duly substantiated request made by or on behalf of the domestic industry as to whether the expiry of duty is likely to lead to continuation or recurrence of dumping and injury.
 - A. **Background of previous investigation.**
3. The original anti-dumping investigation concerning imports of product under consideration from subject countries was initiated on 28th September 2020. Pursuant to detailed investigation, the Authority recommended imposition of anti-dumping duty vide. final findings no. F. No.06/33/2020-DGTR dated 23rd September 2021. The Ministry of Finance vide Notification No. 75/2021-Customs (ADD) dated 21st December 2021 imposed anti-dumping duties for a period of 5 years.

B. Product under consideration (PUC).

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

"7. The product under consideration in the present application is "Hydrofluorocarbon (HFC) Component R-32 or Difluoromethane.

8. Hydrofluorocarbon (HFC) Component R-32 or Difluoromethane has the chemical formula CH₂F₂ and is registered as CAS No. 75-10-5. It is also known as HFC-32, FC-32, Freon-32, Methylene difluoride, Methylene fluoride, Carbon fluoride hydride, halocarbon R32, fluorocarbon R32, and UN 3252. The HFC Component R-32 is mainly used in residential air conditioning systems".

5. The present application being a sunset review investigation, the product under consideration and PCN remains the same as defined in the original final finding notification.

C. Like article.

6. The applicant has claimed that there is no significant difference in the product produced by the applicant and the one exported from the subject country. The product produced by the applicant and imported from the subject country is 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 and are used by consumers interchangeably. The present application is for sunset review investigation for the continued imposition of anti-dumping duty. The issue of like article has already been examined by the Authority in the original investigation as well. The product produced by the applicant is like article to the product under consideration produced and imported from the subject country.

D. Domestic industry and standing.

7. The application has been filed by the SRF Limited. The applicant has certified that it has not imported the subject goods nor related to the exporters from the subject countries or importers in India.
8. Apart from the applicant, Gujarat Fluorochemicals Limited ('GFL') is the other producer of the product under consideration. The applicant has claimed that GFL has commenced its production of the subject goods in India in the post proposed period of investigation period.

9. In view of the same, and based on information available on record, it is seen that the applicant constitutes domestic industry within the meaning of Rule 2(b) of the Rules. The application satisfies the requirements of standing in terms of Rule 5(3).

E. Subject country.

10. The subject country in the present investigation is China PR.

F. Period of investigation.

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

G. Basis of alleged dumping.

i. Normal value.

12. The applicant has cited and relied upon Article 15(a) (i) of China's Accession Protocol and has claimed that China PR should be treated as a non-market economy and that producers from China PR should be directed to demonstrate that market economy conditions prevail in the industry with regard to the production and sales of the product under consideration. Unless the producers from China PR show that such market economy conditions prevail, their normal value should be determined in accordance with Para 7 and 8 of Annexure-I to the Anti-Dumping Rules, 1995.
13. The applicant has submitted that data relating to cost and price in market economy third country is not available. The applicant has claimed normal value based on the export price of the product from a market economy third country to any other country, including India. The applicant has claimed normal value based on the import price from United Arab Emirates adjusted to arrive at net ex-factory level. The applicant has also supplemented normal value based on the price paid or payable in India.
14. For the purpose of initiation, the normal value has been determined based on best estimates of the cost of production in India duly adjusted with selling, general and administrative expenses, along with a reasonable profit margin.

ii. Export price

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

iii. Dumping margin

16. The normal value and the export price have been compared at the ex-factory level, which *prima facie* establishes that the dumping margin with respect to the product under consideration imported from the subject country is not only above the de minimis level but is also significant. Since the present investigation is a sunset review investigation, the Authority shall also determine likelihood of dumping after receipt of information and evidence from the interested parties.

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

17. The applicant has provided *prima facie* evidence with respect to likelihood of injury in the event of cessation of measures. The applicant has claimed that the dumped imports have declined because of imposition of measures but have continued to remain below the cost of production of the domestic industry. The applicant has also provided information on surplus capacities, third country measures and third country price analysis in support of its claim of likelihood of injury.
18. The information provided by the applicant, *prima facie*, shows continuation of dumping from the subject country and likelihood of injury to the domestic industry in case of cessation of the anti-dumping duty.

I. Initiation of sunset review investigation.

19. On the basis of the duly substantiated application of the applicant, and having satisfied itself on the basis of the *prima facie* evidence submitted by the applicant, substantiating the likelihood of continuation/ recurrence of dumping and injury, and in accordance with Section 9A(5) of the Act read with Rule 23 (IB) of the Rules, the Authority hereby initiates a sunset review investigation to review the need for continued imposition of the duties in force in respect of the subject goods, originating in or exported from the subject country and to examine whether the expiry of such duty is likely to lead to continuation or recurrence of dumping and injury to the domestic industry.

J. Procedure.

20. Principles, as given in Rule 6 of the Rules, will be followed for the present investigation

K. Submission of information.

21. All communication should be sent to the Designated Authority via email at email addresses jd12-dgtr@gov.in and ad12-dgtr@gov.in with a copy to dir15-dgtr@gov.in and consultant-dgtr@govcontractor.in. It must be ensured that the narrative part of the submission is in searchable PDF/MS-Word format and data files are in MS-Excel format.
22. The known producers/exporters in subject country, the government of subject country through its Embassy in India, and the importers and users in India who are known to be

associated with the product under consideration are being informed separately to enable them to file all the relevant information within the time limits mentioned in this initiation notification. All such information must be filed in the form and manner as prescribed by this initiation notification, the Rules, and the applicable trade notices issued by the Authority.

23. Any other interested party may also make a submission relevant to the present investigation in the form and manner as prescribed by this initiation notification, the Rules, and the applicable trade notices issued by the Authority within the time limits mentioned in this initiation notification.
24. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other interested parties.
25. Interested parties are further directed to regularly visit the official website of the Directorate General of Trade Remedies (dgtr-india@gov.in) to stay updated and apprised with the information as well as further processes related to the investigation.

L. Time limit.

26. Any information relating to the present investigation should be sent to the Authority via email at email addresses jd12-dgtr@gov.in and ad12-dgtr@gov.in with a copy to dir15-dgtr@gov.in and consultant-dgtr@govcontractor.in, within 30 days from the date of the receipt of the notice as per the Rule 6(4) of the Rules. It may, however, be noted that in terms of explanation of the said Rules, the notice calling for information and other documents shall be deemed to have received within one week from the date on which it was sent by the Authority or transmitted to the appropriate diplomatic representative of the exporting country. If no information is received within the prescribed time-limit or the information received is incomplete, the Authority may record its findings on the basis of the facts available on record in accordance with the Rules.
27. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses within the above time limit as stipulated in this notification.
28. Where an interested party seeks additional time for filing of submissions, it must demonstrate sufficient cause for such extension in terms of Rule 6(4) of the AD Rules, 1995 and such request must come within the time stipulated in this notification.

M. Submission of information on confidential basis.

29. Where any party to the present investigation makes confidential submissions or provides information on a confidential basis before the Authority, such party is required to simultaneously submit a non-confidential version of such information in terms of Rule

7(2) of the Rules and in accordance with the relevant trade notices issued by the Authority in this regard.

30. Such submissions must be clearly marked as 'confidential' or 'non-confidential' at the top of each page. Any submission that has been made to the Authority without such markings shall be treated as 'non-confidential' information by the Authority, and the Authority shall be at liberty to allow other interested parties to inspect such submissions.
31. The confidential version shall contain all information which is, by nature, confidential, and/or other information, which the supplier of such information claims as confidential. For the information which is claimed to be confidential by nature, or the information on which confidentiality is claimed because of other reasons, the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed.
32. The non-confidential version of the information filed by the interested parties should be a replica of the confidential version with the confidential information preferably indexed or blanked out (where indexation is not possible) and such information must be appropriately and adequately summarized depending upon the information on which confidentiality is claimed.
33. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on a confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons containing a sufficient and adequate explanation in terms of Rule 7 of the Rules, 1995, and appropriate trade notices issued by the Authority, as to why such summarization is not possible, must be provided to the satisfaction of the Authority.
34. The interested parties can offer their comments on the issues of confidentiality within 7 days from the date of circulation of the non-confidential version of the documents.
35. Any submission made without a meaningful non-confidential version thereof or a sufficient and adequate cause statement in terms of Rule 7 of the Rules, and appropriate trade notices issued by the Authority, on the confidentiality claim shall not be taken on record by the Authority.
36. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or if the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.

37. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorisation of the party providing such information.

N. Inspection of public file.

38. A list of registered interested parties will be uploaded on the DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions to all other interested parties.

O. Non-cooperation.

39. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period or within the time stipulated by the Authority in this initiation notification, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings based on the facts available and make such recommendations to the Central Government as it deems fit.



**(Siddharth Mahajan)
Designated Authority**