

To be published in Part-I Section I of the Gazette of India Extraordinary

F. No. 7/26/2025 - 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: 27th January 2026

INITIATION NOTIFICATION

CASE No. AD (SSR)- 14/2025

Subject: Initiation of sunset review anti-dumping investigation concerning imports of ‘Phthalic Anhydride’ from China PR, Korea RP and Thailand.

1. F. No. 7/26/2025 -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’), IG Petrochemicals Limited (IGPL), Thirumalai Chemical Industries Limited (TCL) and TCL Intermediates Private Limited (TCLIPL) (a 100% owned subsidiary of Thirumalai Chemical Industries) (hereinafter referred to as “applicants”) have 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 ‘Phthalic Anhydride’ (hereinafter also referred to as “subject goods” or “product under consideration or “PAN”), originating in or exported from China PR, Korea RP , Thailand and Indonesia.
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 and 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 into imports of product under consideration from China PR, Indonesia, Korea RP and Thailand was initiated by the Authority on 21st May 2020. After thorough investigation by the Authority, it was concluded that the product

under consideration was being dumped from the subject countries in the Indian market and was causing material injury to the domestic industry.

4. The Authority recommended imposition of anti-dumping duty which was imposed by the Ministry of Finance vide Notification No. 43/2021- Customs (ADD) dated August 9th, 2021.
5. The aforesaid duties are presently in force till 8th August 2026. Thus, the present application is being filed for initiation of sunset review investigation, to examine the need for continuation of the existing anti-dumping duty.

B. Product under consideration (PUC).

6. The product under consideration in the present investigation is "Phthalic Anhydride (PAN)", the principal commercial form of Phthalic Acid. The product under consideration in the present investigation is same as defined in the original investigation which is as follows:

""The product under consideration in the present application is "Phthalic Anhydride" (PAN). Phthalic Anhydride (PAN) is an anhydride of Phthalic Acid and is commercially produced by catalytic oxidation of Ortho-xylene or Naphthalene. It is a colorless solid, variously referred as Phthalic Anhydride flakes, Phthalic Anhydride (98% min.), Phthalic Acid Anhydrous, Phthalic Anhydride (99.8% min), etc. Specifications of Phthalic Anhydride includes its physical appearance, color of solid flakes, color of molten product, solidification point, Phthalic Anhydride content by weight, other anhydrides & organic impurities' content by weight and acidity index. ""

The product under consideration is classified under Chapter 29 of the Customs Tariff Act, 1975 under sub-heading 29173500. The customs classification is only indicative and is not binding on the scope of the product under consideration. ".

7. The product is assessed by its purity level, which is the percentage of Phthalic Anhydride by weight in the final product. ASTM and other international testing standards are followed by manufacturers to measure the purity. The technology used to produce Phthalic Anhydride enables producers to get more than 99.8% (by weight) of Phthalic Anhydride.
8. Since the present application is for sunset review, the scope of the product under consideration remains the same as defined in the previous finding.
9. The applicant has not proposed any PCN methodology.

Uses:

10. Phthalic Anhydride is an important chemical intermediate in plastic industry. Various uses of the product include plasticizers, polyester resins, alkyd resins used in paints and lacquers, polyester polyols, dyes and pigments etc.
11. The interested parties in the subject investigation may offer their comments on the scope of PUC-PCN, if any, within 15 days from the date of initiation of this investigation or date of the receipt of this notice.

C. Like article.

12. The Applicants have claimed that the subject goods, which are being dumped into India, are identical to the goods produced by the domestic industry. There are no differences either in the technical specifications, quality, functions or end-uses of the dumped imports and the domestically produced subject goods. The two are technically and commercially substitutable and hence should be treated as 'like article' under the Rules. Therefore, for the purpose of the present investigation, the subject goods produced by the Applicants in India are being treated as Like Article to the subject goods being imported from the subject countries.

D. Domestic industry and standing.

13. The application has been filed by IG Petrochemicals Limited, Thirumalai Chemical Industries Limited and TCL Intermediates Private Limited (a 100% owned subsidiary of Thirumalai Chemical Industries). Apart from the applicants, there is one other producer of the domestic like article in India namely KLJ Petroplast Limited which has commenced the production in June 2023, and the producer has supported the application.
14. In view of the same, and based on information available on record, the Authority is satisfied that the applicants constitute domestic industry within the meaning of Rule 2(b). The application satisfies the requirements of standing in terms of Rule 5(3).

E. Subject countries.

15. The subject countries in the present investigation are China PR, Korea RP and Thailand (hereinafter also referred to as the "subject countries"). Investigations are not being initiated against Indonesia as there is no duly substantiated application with regards to likelihood of continuation or recurrence of dumping and injury to the domestic industry in the event of cessation of anti-dumping duty from Indonesia.

F. Period of investigation.

16. The period of investigation (POI) for the investigation is from 1st October 2024 to 30th September 2025 (12 months). The injury examination period is April 2022 - March 2023, April 2023 – March 2024, April 2024 - March 2025 and the proposed period of investigation.

G. Basis of alleged dumping.

i. Normal value for China PR

17. The Applicants have submitted that China PR should be treated as a non-market economy, and the Chinese producers should be called upon to show that market economy conditions prevail in the industry with regard to the production and sale of the product. Unless the Chinese producers show that such market economy conditions prevail, their normal value should be determined in accordance with Para 7 of Annexure – I to the Anti-Dumping Rules.

18. The applicants attempted to get evidence of the price at which the product under consideration is being sold by the producers in a market economy third country to the consumers in these countries (i.e., domestic price) or cost of production in the market economy third country. No verifiable evidence of the actual selling price was publicly available. The applicants could not determine normal value based on actual selling price in a market economy third country.

19. The applicants have proposed to determine the normal value on the basis of “any other reasonable basis”. For the same, the applicants determined normal value based on its cost of production with reasonable addition for margins. The methodology proposed by the applicants has been considered for the purpose of initiation.

ii. Normal value for Korea RP & Thailand

20. The applicants have submitted that they could not obtain verifiable domestic selling prices for Phthalic Anhydride in the subject countries. Therefore, the applicants have proposed to determine normal value as per below methodology.

- Raw material prices – based on export price of raw material in the respective country.
- Other conversion costs: based on facts available
- Selling/General and administrative expenses: based on facts available
- Reasonable addition of profits

21. The methodology proposed by the applicants has been considered. However, for the purpose of initiation, the normal value has been determined based on the cost of production of the applicants with the reasonable addition for profits.

i. Export price

22. 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 credit costs and inventory carrying costs.

ii. Dumping margin

23. 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 countries is not only above the de minimis level but is also significant.

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

24. The applicants have provided *prima facie* evidence with respect to the continued injury suffered by the domestic industry because of the dumped imports. The price depression caused by dumped imports have been prevented the price movement to recover the full cost and achieve a reasonable rate of return. The applicants are suffering from financial losses, significant decline in cash profits, and negative return on capital employed. The applicants have also claimed that there is a likelihood of further injury in the present investigation and provided information on surplus capacities, export orientation, and price attractiveness of India.

25. The information provided by the applicant, *prima facie*, shows likelihood of continuation or recurrence of dumping and injury to the domestic industry in the event of cessation of anti-dumping duty in the event of cessation of anti-dumping duty on subject countries.

I. Initiation of sunset review investigation.

26. 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 countries, 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.

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

K. Submission of information.

28. All the interested parties are required to register themselves on SETU Portal (<https://setu.dgtr.gov.in>). All communications and submissions from the interested parties shall be uploaded on the SETU portal under their registered name and corresponding case ID- AD/SSR/11112025/01. It should be ensured that the narrative part of the submission is in searchable PDF/MS-Word format and data files are in MS-Excel format.
29. The known producers/exporters in subject countries, the government of subject countries 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.
30. 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.
31. 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.
32. The interested parties are further advised to keep a regular watch on the official website of the Directorate General of Trade Remedies at www.dgtr.gov.in and SETU portal(<https://setu.dgtr.gov.in>) for any updated information with respect to this investigation. Interested parties are directed to regularly visit the website of DGTR (<http://www.dgtr.gov.in/>) to stay apprised with the further developments in the subject investigation and remain informed regarding notices that may be issued from time to time regarding questionnaire formats, PCN methodology, PCN discussion/meeting schedule, notice of oral hearing, corrigendum, amendment notifications, and other such information.

L. Time limit.

33. Any information relating to the present investigation should be uploaded on the SETU portal (<https://setu.dgtr.gov.in>) under their registered name and corresponding case ID- AD/SSR/11112025/01. Both versions of each submission, the confidential version (CV) and the non-confidential version (NCV) must be uploaded in the respective designated columns within 37 days from the date on which the nonconfidential version of the application filed by the domestic industry would be circulated by the Authority or transmitted to the appropriate diplomatic representative of the exporting country as per Rule 6(4) of the AD Rules, 1995. If no information is received within the stipulated time

limit or the information received is incomplete, the Authority may record its findings based on the facts available on record and in accordance with the AD Rules, 1995.

34. 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 through SETU portal only.
35. The 15-day period to file comments on the scope of the PUC/ PCN Methodology shall run concurrently with the time limit mentioned in para 28 above of this Initiation Notification.
36. Extension due to Modification of PUC/PCN: An extension of time by 15 days shall be granted if the Authority, through a subsequent notice, modifies the PUC, and PCN that was not previously proposed or is different from the initiation notification. This extension of 15 days shall be granted from date of such notification of modified PUC and PCN. Extension of time by 15 days stated in this paragraph is not applicable in instances where there is no change in the PUC, and PCN methodology after initiation of investigation. Requests for a further extension of time, beyond the 15-day extension (if granted), will ordinarily not be considered except in case of exceptional circumstances, in line with the Rule 6(4) of the AD Rules.
37. Any request for an extension must be submitted by the concerned parties through the SETU portal at least one day before the original deadline specified in paragraph 28 above. Requests submitted after this time will not be considered

M. Submission of information on confidential basis.

38. 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. Failure to adhere to the above may lead to rejection of the response/submissions.
39. The parties making any submission (including Appendices/ Annexures attached thereto), before the Authority including questionnaire responses, are required to file confidential and non-confidential versions separately.
40. 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.

41. 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.
42. 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.
43. 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 as to why such summarization is not possible, must be provided to the satisfaction of the Authority.
44. 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.
45. 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.
46. 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.

N. Inspection of public file.

47. All non-confidential versions of submissions made by any interested party will be accessible to other interested parties through their respective login on the SETU portal.

O. Non-cooperation.

48. 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.



(Amitabh Kumar)
Designated Authority