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F. No. 7/03/2026-DGTR
Government of India, Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Trade Remedies)
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5 Parliament Street, New Delhi – 110001

Dated: 27 March 2026

INITIATION NOTIFICATION

Case No. AD (AA)-02/2026

Subject: Anti-absorption review investigation of anti-dumping duty imposed on imports of "Insoluble Sulphur" originating in or exported from China PR

1. **F. No. 7/03/2026-DGTR** - Having regards to the Customs Tariff Act 1975, as amended from time to time (hereinafter also 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 thereof, as amended from time to time (hereinafter also referred to as the “**Rules**” or the “**AD Rules**”), OCCL Limited (hereinafter also referred to as the “**applicant**” or “**domestic industry**”) has filed an application before the Designated Authority (hereinafter also referred to as the “**Authority**”), alleging absorption of anti-dumping duty imposed on imports of “Insoluble Sulphur” (hereinafter referred to as the “**subject goods**” or “**product under consideration**” or “**PUC**”) originating in or exported from China PR (hereinafter referred to as “**subject country**”).
2. In terms of Section 9A(1B) of the Act and Rule 29 (2) of the Rules, where an article subject to anti-dumping duty is imported into India at such price or under such condition which is considered as absorption of the existing anti-dumping duty, and such duty is thereby rendered or maybe rendered ineffective, the Designated Authority may, after conducting review, recommend modification in the form or basis of the anti-dumping duty and/or the quantum of anti-dumping duty or both after reassessing the dumping margin and injury margin. In accordance with the same, the Authority is required to review, based on an application made with sufficient evidence, made by or on behalf of the domestic industry or any other interested party as to whether the existing anti-dumping duty is thereby or may be rendered ineffective because of absorption of duty.

A. BACKGROUND

3. The original anti-dumping investigation concerning imports of the subject goods from the China PR and Japan was initiated *vide* Notification No. 6/01/2024-DGTR dated 27 March 2024. Pursuant to the investigation, the Authority, through its final findings issued *vide* F. No.

06/01/2024-DGTR dated 7 March 2025, recommended the imposition of anti-dumping duties on imports of the subject goods originating in or exported from China PR and Japan for a period of five years. The Ministry of Finance subsequently implemented the recommended duties *vide* Notification No. 13/2025-Customs (ADD) dated 6 June 2025. The said duties, unless extended pursuant to a review, are scheduled to remain in force until 6 June 2030. Table below summarises the existing anti-dumping duties in force pursuant to Notification No. 13/2025-Customs (ADD) dated 06 June 2025:

S. No.	Country of Origin	Country of Export	Producer	Amount (MT/USD)
1	China PR	Any other country including China	Any	307
2	Any country other than China and Japan	China PR	Any	307
3	Japan	Japan	Shikoku Chemicals Corporation	259
4	Japan	Any other country including Japan	Any other than Insoluble Sulphur	358
5	Any country other than Japan and China	Japan	Any	358

B. PRODUCT UNDER CONSIDERATION

4. The scope of product under consideration attracting the anti-dumping duties was specified as follows in the final findings notified by the Authority *vide* F. No. 06/01/2024-DGTR dated 7 March 2025:

"2. The product under consideration is the "Insoluble Sulphur" hereinafter also referred to as "subject goods" or "product under consideration" or "PUC").

3. Insoluble sulphur by definition, is a polymeric sulphur which is insoluble in carbon disulphide (CS₂). Insoluble Sulphur is generally used as a vulcanization agent in some rubber applications in order to resist the blooming phenomenon which is detrimental to rubber compound.

4. Insoluble sulphur is an important rubber additive agent. It improves product quality, wearability and resistance to both fatigue and ageing. In addition to being universally recognized as the best vulcanizing agent, it is widely used in the manufacture of tire, tread, shoes, all kinds of automobile rubber parts and other rubber products. Therefore, due to its non-blooming characteristic, insoluble sulphur is widely used in the manufacture of rubber products in which common sulphur is incorporated in high proportion. Based on the end-user industry, out of the total consumption of insoluble sulphur in India, more than 90% is used in the

tyre industry and the remaining is used in now-tyre industry. The unit of measurement considered is weight of the product reported in kilograms (Kg).

5. The product under consideration is classifiable under tariff item 2802 00 10 and 3812 39 30 of the first schedule I to the Customs Tariff Act, 1975. The product under consideration is also imported under tariff item 3824 99 00. However, Customs classifications are indicative only and in no way binding on the scope of this investigation."

5. Since the present application is anti-absorption review of anti-dumping duty in force, the scope of the product under consideration remains the same as defined in the original investigation.

C. LIKE ARTICLE

6. The original investigation revealed that there are no known significant differences in the goods produced by the applicant and that exported from the subject country. Both products have comparable characteristics in terms of parameters such as physical & chemical properties, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The imported goods and the goods produced by the domestic industry are found to be used interchangeably. Therefore, for the purpose of present review, the subject goods produced by the applicant is being treated as "like article" to the subject goods imported from the subject country.

D. APPLICANT

7. The present application has been filed by OCCL Limited. The applicant has claimed that it is the sole producer of the subject goods in India. Further, the applicant has certified that it has not imported the subject goods nor is related to the exporters from the subject country or importer in India. The applicant constitutes domestic industry within the Rules. Based on the information on record, it is seen that applicant constitutes domestic industry within the Rules. and the application has been filed in accordance with Rule 29.

E. SCOPE OF THE REVIEW

8. The present anti-absorption review investigation is in respect of imports of the Product Under Consideration from China PR.

F. GROUNDS FOR AN ABSORPTION REVIEW INVESTIGATION

9. The applicant has claimed that the export price of the product under consideration has significantly declined in the present absorption period of investigation as compared to the period of investigation of the original investigation. The applicant has further stated that although the prices of raw materials and utility prices for the product under consideration have

increased in the current absorption investigation period, resulting in a higher cost of production, the export price of the PUC from the subject country to India has, in fact declined.

10. The applicant has also given *prima facie* information showing an increase in the dumping margin and injury margin. The information provided by the applicant, *prima facie*, shows a decline in the export price without a commensurate decline in the cost of production showing absorption of anti-dumping duties, and a consequent increase in the dumping margin and injury margin.
11. As per the provisions of Rule 29(3) of the Rules, any interested party may file an application seeking initiation of anti-absorption review within two years from the date of imposition of definitive anti-dumping duty. In the present case the anti-dumping measures were imposed on 6 June 2025. The application seeking initiation of the anti-absorption investigation was filed within two years from the date of imposition of the anti-dumping duty i.e., December 2025. However, the applicant later updated the period of absorption from (*June 2025 - November 2025*) to (*July 2025 - December 2025*).

G. PERIOD OF ABSORPTION

12. The absorption period for the purpose of the present review has been considered as July 2025 to December 2025 (six-months). The Authority shall compare the prices in the said period to the prices in the period of investigation of the original investigation.
13. On examination of the applicable framework, it is noted that there is no mandatory requirement prescribing a 12-month POI for an Anti- Absorption review as the determination of the period may be based on the facts and circumstances of the case. Accordingly, the proposed 6 months period is considered appropriate for the present investigation.

H. INITIATION OF THE ANTI-ABSORPTION REVIEW INVESTIGATION

14. On the basis of the duly substantiated written application submitted by the applicant and having satisfied itself based on the *prima facie* evidence submitted by the applicant concerning the absorption of the anti-dumping duties imposed on the imports from China PR, the Authority, hereby, initiates an anti-absorption review investigation to determine the existence and effect of the absorption of the anti-dumping duty on imports of the product under consideration from subject country and to recommend modification of the quantum or form of the anti-dumping duty, in accordance with Section 9A(1B) of the Act and Rule 30 of the Rules.
15. The applicant has requested the Authority to recommend to the Central Government that the quantum or form of the anti-dumping duty be modified from the date of the initiation of the investigation, in accordance with Rule 31(3) of the Rules. Interested parties may submit their comments on this matter within the time frame specified in this notification.

16. In view of the above, the Authority recommends provisional assessment of all imports of the product under consideration till completion of this review, in accordance with Rule 30(5) of the Rules.

I. PROCEDURE

17. The scope of the present review investigation is confined to examining whether the decline in export prices from China is attributable to a reduction in the cost of production, and to the consequent re-computation of the dumping margin and injury margin. The procedures prescribed under Rules 29, 30 and 31 of the Rules shall be followed in this review investigation. The provisions of Rule 6 shall apply *mutatis mutandis*.

J. SUBMISSION OF INFORMATION

18. 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/ABS/22122025/03. 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.

19. 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.

20. 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 prescribed the time limits.

21. 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.

22. 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 (<https://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, PUC methodology (*if any*), any other discussion/meeting schedule, notice of oral hearing, corrigendum, amendment notifications, and other such information.

K. TIME LIMIT

23. Any information relating to the present investigation must be uploaded on the SETU portal (<https://setu.dgtr.gov.in>) under the registered name and corresponding case ID. 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 non-confidential 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.
24. 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.
25. Any request for an extension must be submitted by the concerned parties through the SETU portal at least one day before the original deadline. Requests submitted after this time will not be considered.

L. SUBMISSION OF INFORMATION ON CONFIDENTIAL BASIS

26. 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.
27. 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.
28. 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.
29. 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.

30. The non-confidential version of the information filed by the interested parties is required to 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.
31. 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.
32. The interested parties can offer their comments on the issues of confidentiality within 7 days from the date of submission of the non-confidential version of the documents by other interested parties.
33. 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.
34. 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.

M. INSPECTION OF PUBLIC FILE

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

N. NON-COOPERATION

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


(Amitabh Kumar)

Designated Authority