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Government of India
Ministry of Commerce & Industry
Department of Commerce
(Directorate General of Trade Remedies)
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Date: 27<sup>th</sup> September 2025

# <u>Case No. AD (OI) – 08/2025</u>

# <u>Subject: Initiation of anti-dumping investigation into imports of Diisononyl Phthalate originating in or exported from Malaysia.</u>

- 1. KLJ Plasticizers Limited and KLJ Petroplast Limited (hereinafter also referred to the as the "applicants") have filed an application before the Designated Authority (hereinafter also referred to as the "Authority"), in accordance with 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 "AD Rules"), for the initiation of an anti-dumping investigation concerning imports of Diisononyl Phthalate originating in or exported from Korea RP and Malaysia.
- 2. The applicants have alleged that material injury is being caused to the domestic industry due to the dumped imports, originating or exported from Korea RP and Malaysia and have requested for the imposition of anti-dumping duties on the imports of the subject goods from the Korea RP and Malaysia. However, as per the prima facie examination, the Authority finds that the volume of injurious imports from Korea is negligible and does not justify initiation of investigation against Korea RP. Accordingly, the present investigation has been initiated concerning imports Diisononyl Phthalate (hereinafter also referred to as "DINP", "subject goods" or "product under consideration") originating in or exported from Malaysia (hereinafter also referred to as "subject country").

#### A. PRODUCT UNDER CONSIDERATION

3. The product under consideration in the present investigation is Diisononyl Phthalate ("DINP"). DINP is a monomeric primary plasticizer with medium molecular weight. It is an organic compound with chemical formula C<sub>26</sub>H<sub>42</sub>O<sub>4</sub>. It is also known KANATOL-900, P-030 and Phthalate Plasticizer (PVC). The product under consideration is a phthalic

acid ester of C<sub>9</sub> alcohol. The CAS number of the product under consideration is 28553-12-0.

- 4. DINP is a nearly transparent and odorless oily liquid, slightly soluble in water and completely soluble in alcohols and hexane. It is miscible and compatible with all the monomeric plasticizers of PVC compounding. DINP is primarily used as a plasticizer for PVC. DINP is also used in production of polymers other than PVC, such as rubber. DINP is also used in non-polymer applications such as automotive components, anti-corrosion plaints, anti-fouling paints, lacquers, inks, adhesives and sealants.
- 5. DINP is an odorless oily liquid, nearly transparent, which is slightly soluble in water and completely soluble in alcohols and hexane. It is miscible and compatible with all the monomeric plasticizers of PVC compounding. DINP is primarily used as a plasticizer for PVC. DINP is also used in production of polymers other than PVC, such as rubber. DINP is also used in non-polymer application such as automotive components, anti-corrosion paints, anti-fouling paints, lacquers, inks, adhesives and sealants. DINP is used as an economical plasticizer and demonstrates low volatility and good durability. The product under consideration is widely used in vinylic compounds including wires, cables and plastisols.
- 6. The subject goods are manufactured from an esterification reaction wherein phthalic anhydride and iso nonanol, in presence of a catalyst are heated in a closed reactor. This reaction generates alcohol which is separated in vacuum. The reaction mass is then neutralised, washed with water to remove soap. Then the reaction mass is dried and treated with carbon to remove moisture and improve glossiness, respectively. Next, the compound is filtered. The filtered material is Diisononyl Phthalate.
- 7. The subject goods are classified under Chapter 29 of the Customs Tariff Act under the tariff code 2917 3300. However, as per the information on record, the subject goods have been imported under a number of codes, including 2917 3200, 2917 3400, 2917 3920, 2917 3990 and 2933 9990. The customs classification is only indicative and is not binding on the scope of the product under consideration.
- 8. The interested parties in the present investigation may provide their comments on the scope of the PUC as well as their proposal for formation of PCNs, if any, within 15 days from the date of initiation of this investigation.

#### B. LIKE ARTICLE

9. The goods produced by the domestic industry are identical to the subject goods imported from the subject country. The subject goods produced by the domestic industry have comparable characteristics to the subject goods imported from the subject country in terms of technical specifications, physical & chemical characteristics, manufacturing process & technology, functions & uses, pricing, distribution & marketing and tariff

classification. The two are technically and commercially substitutable. Therefore, for the purpose of initiation of the present investigation, the subject goods produced by the applicants are being treated as 'like article' to the subject goods originating in or exported from the subject country.

## C. DOMESTIC INDUSTRY AND STANDING

- 10. The application for initiation of the present investigation has been filed by KLJ Plasticizers Limited and KLJ Petroplast Limited. The applicants have submitted that they are not related to exporters of subject goods in subject country or importers of product under consideration in India. Further, the applicants have not imported the product under consideration from the subject country during the period of investigation.
- 11. There are two other domestic producers of the subject goods in India, namely, Payal Polyplast Private Limited, Payal Plastichem Private Limited. Additionally, the applicants have identified that Marvel Vinyls Limited and Vinyl Products Private Limited may be engaged in production of the subject goods in small quantities. However, the applicants have not been able to identify whether these entities are producing, and the quantity of production by them. Further, IG Petrochemicals Limited is also setting up a plant to manufacture the subject goods in India. The application for initiation of the present anti-dumping investigation has been supported by IG Petrochemicals Limited, Payal Polyplast Private Limited and Payal Plastichem Private Limited.
- 12. Payal Polyplast Private Limited, Payal Plastichem Private Limited and their related parties have imported the product under consideration from the subject country in India. Further, Vinyl Products Private Limited has also imported the product under consideration. Accordingly, the Authority has considered such producers ineligible to constitute domestic industry under Rule 2(b) of the Anti-Dumping Rules.
- 13. As per the evidence available on record, it is noted that the applicants account for a major proportion of the total production of the like article in India. Therefore, the Authority has considered KLJ Plasticizers Limited and KLJ Petroplast Limited as the domestic industry within the provisions of Rule 2(b) of the Anti-Dumping Rules. Further, the application satisfies the requirements of Rule 5(3) of the Anti-Dumping Rules.

#### D. SUBJECT COUNTRY

14. The subject country for the purpose of the present investigation is Malaysia.

## E. PERIOD OF INVESTIGATION

15. The Authority has considered 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025 (12 months) as the period of investigation. The injury investigation period shall cover the period 1<sup>st</sup> April 2021 –

 $31^{st}$  March 2022,  $1^{st}$  April 2022 –  $31^{st}$  March 2023,  $1^{st}$  April 2023 –  $31^{st}$  March 2024 and the period of investigation.

## F. BASIS OF ALLEGED DUMPING

#### Normal value

- 16. The applicants have claimed that they did not have access to information regarding the domestic selling price or any other information with regard to the prevailing prices in the subject country. Further, information with regard to cost of production in the subject country was not available to the domestic industry.
- 17. For the purpose of initiation, the Authority has considered normal value for Malaysia based on estimated based on cost of production of the domestic industry, duly adjusted for selling, general and administrative expenses along with a reasonable profit margin. The normal value methodology claimed by the applicants has been considered for the purpose of initiation.

#### **Export Price**

18. The export price of the subject goods from the subject country has been determined by considering transaction wise data, as reflected in the DGCI&S Data. Price adjustments have been made on account of ocean freight, marine insurance, commission, bank charges, port expenses, credit costs, inventory carrying costs, secondary packaging and inland freight to arrive at the ex-factory export price.

# **Dumping margin**

19. The normal value and the export prices have been compared at the ex-factory level, which *prima facie* establishes that the dumping margin is above the *de-minimis* level with respect to the subject goods imported from the subject country. Thus, there is sufficient *prima facie* evidence that the product under consideration from the subject country is being dumped in the domestic market of India.

## G. INJURY AND CAUSAL LINK

20. Information furnished by the applicants, with regard to various parameters, has been considered for assessment of injury to the domestic industry. The applicants have submitted that there has been a significant increase in imports from the subject country in absolute and relative terms. The subject imports are undercutting the prices of the domestic industry and are priced below the cost of sales of the domestic industry. The subject imports have depressed the prices of the domestic industry. The capacity utilization of the domestic industry has declined and it has underutilized capacities. The inventories of the domestic industry have increased. The domestic industry has incurred

financial losses, cash losses and recorded a negative return on capital employed during the period of investigation. There is sufficient *prima facie* evidence of material injury being caused to the domestic industry by the dumped imports from the subject country, justifying initiation of an anti-dumping investigation.

## H. INITIATION OF ANTI-DUMPING INVESTIGATION

21. On the basis of the duly substantiated application filed by the applicants and on being satisfied based on the *prima facie* evidence submitted therein, concerning the dumping of the subject goods originating in or exported from the subject country, the consequential injury to the domestic industry as a result of the alleged dumping of the subject goods and the causal link between such injury and the dumped imports, and in accordance with Section 9A of the Act read with Rule 5 of the Anti-Dumping Rules, the Authority, hereby, initiates an anti-dumping investigation to determine the existence, degree and effect of the dumping with respect to the product under consideration originating in or exported from the subject country and to recommend the appropriate amount of anti-dumping duty, which if levied, would be adequate to remove the injury to the domestic industry.

#### I. PROCEDURE

22. Principles as given in Rule 6 of the Rules shall be followed for the present investigation.

#### J. SUBMISSION OF INFORMATION

- 23. All communication should be sent to the Designated Authority via email at email addresses jd11-dgtr@gov.in and dir14-dgtr@gov.in with a copy to adv11-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.
- 24. The known producers/exporters in the subject country, the Government of the subject country through its embassy in India, and the importers and users in India who are known to be associated with the subject goods are being informed separately to enable them to file all 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.
- 25. 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.
- 26. 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.

27. Interested parties are further advised to keep a regular watch on the official website of the Authority <a href="http://www.dgtr.gov.in/">http://www.dgtr.gov.in/</a> for any updated information with respect to this investigation.

## K. TIME LIMIT

- 28. Any information relating to the present investigation should be sent to the Designated Authority via email at email addresses jd11-dgtr@gov.in and dir14-dgtr@gov.in with a copy to adv11-dgtr@gov.in and consultant-dgtr@govcontractor.in within thirty days (30 days) from the date on which the non-confidential version of the documents filed by the domestic industry would be circulated by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting country as per Rule 6(4) of the Rules. 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 Rules.
- 29. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the present investigation and file their questionnaire response/submissions within the above time limit.
- 30. 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 and such request must come within the time stipulated in this notification.

## L. SUBMISSION OF INFORMATION ON CONFIDENTIAL BASIS

- 31. 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.
- 32. 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.
- 33. 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 show a good cause along with the supplied information as to why such information cannot be disclosed.

- 34. 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.
- 35. 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 Anti-Dumping Rules, 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.
- 36. The interested parties can offer their comments on the issues of confidentiality claimed in the submissions, within seven days (7 days) from the date of circulation of the non-confidential version of the documents in terms of relevant paragraph of this initiation notification.
- 37. 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.
- 38. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is not satisfied that the request for confidentiality is 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.
- 39. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorization of the party providing such information.

#### M. INSPECTION OF PUBLIC FILE

40. 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/response/information to all other interested parties. Failure to circulate non-confidential version of submissions/response/information might lead to consideration of an interested party as non-cooperative.

# N. NON-COOPERATION

41. In case where an interested party refuses access to, or 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 on the basis of the facts available and make such recommendations to the Central Government as deemed fit.

(Siddharth Mahajan)

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Designated Authority