

F. No. 7/24/2026-DGTR
Government of India
Department of Commerce
Ministry of Commerce and Industry
(Directorate General of Trade Remedies)
4th Floor, Jeevan Tara Building 5, Parliament Street, New Delhi - 110001

Dated: 30.09.2026

INITIATION NOTIFICATION
SETU CASE ID - AD/SSR/011/2026

Subject: Initiation of sunset review anti-dumping investigation concerning imports of Toluene Di-Isocyanate (TDI) originating in or exported from China PR, Japan and Korea RP.

1. **F. No. 7/24/2026-DGTR:** Having regard to the Customs Tariff Act, 1975, as amended from time to time (hereinafter 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, as amended from time to time (hereinafter referred to as the 'Rules'), Gujarat Narmada Valley Fertilizers & Chemicals Limited (hereinafter referred to as the 'applicant' or the 'domestic industry') has filed an application before the Designated Authority (hereinafter referred to as the 'Authority'), for initiation of a sunset review investigation of the anti-dumping duty on imports of Toluene Di-Isocyanate (TDI) (hereinafter referred to as the 'product under consideration', the 'PUC' or the 'subject goods'), originating in or exported from China PR, Japan and Korea RP (hereinafter referred to as the 'subject countries').
2. In terms of Section 9A (5) of the Act, the anti-dumping duty imposed shall, unless revoked earlier, cease to have effect on the expiry of five years from the date of such imposition. The Authority is required to review, on the basis of a duly substantiated request made by or on behalf of the domestic industry, whether the expiry of the duty is likely to lead to continuation or recurrence of dumping and injury.
- A. Background of previous investigations**
3. The original anti-dumping investigation concerning imports of the subject goods from the subject countries was initiated by the Authority on 5th October 2016. The preliminary findings were issued vide Notification No. 14/36/2016-DGAD dated 28th March 2017, recommending imposition of provisional anti-dumping duty, which was imposed by the Ministry of Finance vide Customs Notification No. 25/2017-Customs (ADD) dated 5th June 2017. The Authority issued the final findings dated 13th December 2017, confirming the preliminary findings and recommending imposition of anti-dumping duty, which was imposed by the Ministry of Finance vide Customs Notification No. 3/2018-Customs (ADD) dated 23rd January 2018 for a period of five years.

4. Thereafter, the Authority initiated the first sunset review investigation vide Notification F. No. 7/26/2021-DGTR dated 27th August 2021. The Authority issued the final findings dated 24th June 2022, and recommended continued imposition of anti-dumping duty. The same was accepted and duties were continued by the Ministry of Finance vide Customs Notification No. 28/2022-Customs (ADD) dated 21st September 2022. The said duty is in force till 20th September 2027, unless revoked earlier.

B. Product under consideration

5. The present application being a sunset review investigation, the product under consideration remains the same as defined in the original investigation, which is as follows:

“The product under consideration in the present investigation is ‘Toluene Di-Isocyanate (TDI) having isomer content in the ratio of 80:20’. Toluene di-isocyanate (TDI) is an organic compound having formula $\text{CH}_3\text{C}_6\text{H}_3(\text{NCO})_2$. Two of the six possible isomers are commercially important: 2,4-TDI (CAS: 584-84-9) and 2,6-TDI (CAS: 91-08-7). 2,4-TDI is produced in the pure state, but TDI is often marketed as 80/20 and 65/35 mixtures of the 2,4 and 2,6 isomers respectively. The product under consideration in the present investigation concerns TDI having isomer content in the ratio of (80:20). All other grades are beyond the scope of the product under consideration.

The product is classified under Chapter Heading 29 under the code 2929 10 20. The customs classification is only indicative and is not binding on the scope of the product under consideration.”

6. The subject goods are used in the production of flexible polyurethane foam, which finds application in furniture cushions, industrial gaskets, protective pads, automobile seats and linings, and packaging. The unit of measurement considered in the present investigation for the product under consideration is Metric Tonnes (MT).
7. The applicant has not proposed a Product Control Number ("PCN") methodology. All interested parties are advised to furnish their comments on the scope of the PUC and the PCN methodology, if required, within 15 days from the date of transmission of the intimation letters, containing, inter alia, the non-confidential version of the application and the respective questionnaire(s), to the known interested parties and the diplomatic representative(s) of the subject country/countries.

C. Like article

8. The applicant has claimed that there is no significant difference between the product produced by the domestic industry and that exported from the subject countries. The two are comparable in terms of technical specifications, manufacturing process and technology, functions and uses, pricing, distribution and marketing, and tariff classification; they are technically and commercially substitutable. The issue of like article was also examined by the Authority in the original investigation. Accordingly, for

the purpose of the present sunset review, the product produced by the domestic industry is treated as 'like article' to the product under consideration produced in and imported from the subject countries.

D. Domestic industry & standing

9. The application has been filed by Gujarat Narmada Valley Fertilizers & Chemicals Limited, which is the sole producer of the subject goods in India. The applicant has certified that it has not imported the subject goods from the subject countries and that it is not related to any producer or exporter of the subject goods in the subject countries or to any importer of the subject goods in India. Based on information available on record, the Authority is satisfied that the applicant constitutes domestic industry within the meaning of Rule 2(b) of the Rules and that the application has been made 'by or on behalf of the domestic industry'. The application also satisfies the requirements of standing in terms of Rule 5(3), even though the requirements of Rule 5(3) are not applicable to a sunset review investigation.

E. Subject countries

10. The subject countries in the present investigation are China PR, Japan and Korea RP, which are the same as the subject countries in the original investigation and the first sunset review investigation.

F. Period of investigation

11. The period of investigation for the present investigation is 1st April 2025 to 31st March 2026 (12 months). The injury examination period covers 1st April 2022 to 31st March 2023, 1st April 2023 to 31st March 2024, 1st April 2024 to 31st March 2025 and the period of investigation.

G. Basis of alleged dumping

i. Normal value for China PR

12. The applicant has claimed that China PR should be treated as a non-market economy and that the Chinese producers should be called upon to demonstrate that market economy conditions prevail in the industry producing the subject goods, in terms of Para 8(3) of Annexure-I to the Rules. The applicant has submitted that it could not obtain reliable information on the price or constructed value in an appropriate market economy third country. It has further submitted that the price from a market economy third country to other countries, including India, cannot be adopted, since imports from the European Union and Saudi Arabia have been found by the Authority to be at dumped prices in the recently concluded sunset review investigation concerning those countries. The applicant has, therefore, determined the normal value for China PR on the basis of the price actually paid or payable in India for the like product, considering the cost of production in India duly adjusted for selling, general and administrative expenses and a reasonable profit, in terms of Para 7 of Annexure-I to the Rules. For the purpose of initiation, China PR has been treated as a non-market economy, subject to rebuttal by the producers and exporters concerned in accordance with Para 8 of Annexure-I to the Rules, and the normal value has been constructed in terms of Para 7 of Annexure-I to the Rules.

ii. Normal value for Japan and Korea RP

13. The Authority notes that Section 9A(1)(c) of the Act specifies the comparable price in the ordinary course of trade for the like article when meant for consumption in the exporting country and, where such price is not available, a comparable representative price of the like article when exported from the exporting country to an appropriate third country or the cost of production in the country of origin with reasonable additions for administrative, selling and general costs and for profits. The applicant has submitted that it was unable to obtain information regarding the domestic selling prices of the subject goods in Japan and Korea RP. Accordingly, the applicant has relied upon price information published on the ChemAnalyst website for the purpose of determining the normal value. The said website reports prices of the subject goods prevailing in the Asia-Pacific region. The applicant has also supplemented the said information by furnishing an estimate of the cost of production of the subject goods in the respective countries of origin.
14. The Authority notes that ChemAnalyst price information provided by the applicant covers only one quarter of the period of investigation and does not clarify whether such prices are in-country consumption prices. As regards the estimated cost of production, the applicant has not provided verifiable international raw material or utility prices at this stage. As regards a comparable representative price of the like article when exported to an appropriate third country, the published source available for that purpose reports the trade at the six-digit level which does not cover the subject goods alone. Accordingly, none of these has been considered for the determination of the normal value at this stage. For the purpose of initiation, the normal value in respect of Japan and Korea RP has been determined on the facts available, the optimised cost of production of the like article in India having been adopted as the best information available, duly adjusted and with the addition of a reasonable profit margin. Subsequent to initiation, the normal value shall be determined on the basis of the responses of the producers and exporters concerned and such further evidence as may be placed on record.

iii. 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. Appropriate adjustments, as claimed by the applicant, have been considered on account of ocean freight, marine insurance, port expenses, inventory carrying cost and credit cost to arrive at the ex-factory export price.

iv. Dumping margin

16. Based on the normal value and the export price determined as stated above, the dumping margin is *prima facie* positive and significant for each of the subject countries, indicating *prima facie* that dumping of the subject goods from the subject countries has continued.

H. Likelihood of continuation or recurrence of dumping and injury

17. The applicant has provided *prima facie* evidence of continued injury to the domestic industry. The volume of imports from the subject countries has increased in absolute terms and in relation to production and consumption in India. The price undercutting

from the subject countries is positive, the dumped imports have prima facie depressed the prices of the applicant, which sold below its cost of sales throughout the injury period, and the landed value of the subject imports is below the non-injurious price of the domestic industry. The applicant has operated below optimum capacity utilisation, its market share has declined over the injury period, and it has suffered financial losses, cash losses and negative return on capital employed throughout the injury period. The applicant has further claimed that there is a likelihood of continuation or recurrence of dumping and injury in the event of cessation of the anti-dumping duty, as the producers in the subject countries hold significant production capacities, which are several times the demand in India, and further capacity expansions are being undertaken in China PR. It has also claimed that the producers in the subject countries are export oriented, and that a significant share of the exports from the subject countries to third countries is at prices below the estimated normal value and the non-injurious price of the domestic industry, and below the export price to India. The information furnished by the applicant *prima facie* shows continuation of dumping from the subject countries and the likelihood of continuation or recurrence of dumping and injury to the domestic industry in case of cessation of the anti-dumping duty.

I. Initiation of sunset review investigation

18. On the basis of the duly substantiated written application filed by the applicant, and having satisfied itself on the basis of the *prima facie* evidence submitted by the applicant substantiating the likelihood of continuation or recurrence of dumping and injury, and in accordance with Section 9A(5) of the Act read with Rule 23(1B) of the Rules, the Authority hereby initiates a sunset review investigation to review the need for continued imposition of the anti-dumping duty 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

19. The sunset review investigation will cover all aspects of the final findings No. 14/36/2016-DGAD dated 13th December 2017 recommending the imposition of anti-dumping duty on imports of the subject goods originating in or exported from the subject countries and the final finding No. 7/26/2021-DGTR dated 27th August 2021 recommended continued imposition of anti-dumping duty.
20. The provisions of Rules 6, 7, 8, 9, 10, 11, 16, 17, 18, 19 and 20 of the Rules shall be applicable mutatis mutandis in this review.

K. Submission of information

21. All the interested parties are required to register themselves on SETU Portal (<http://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 Setu case ID - AD/SSR/011/2026. 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.

22. The known producers/exporters in the subject countries, the governments of the subject countries through their Embassies in India, and the importers and users in India known to be concerned with the subject goods are being informed separately to enable them to file all the relevant information within the time limits set out below. All such information must be filed in the form and manner 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, and within the time limits, set out in this notification, the Rules and the applicable trade notices issued by the Authority. 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.
24. 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 (<http://setu.dgtr.gov.in>) for any updated information with respect to this investigation. Interested parties are directed to regularly visit the website of the DGTR (<http://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

25. Any information relating to the present investigation must be uploaded by the interested parties on the SETU portal (<http://setu.dgtr.gov.in>) under their registered name and corresponding Setu case ID - AD/SSR/011/2026. 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 of transmission of the intimation letters, containing, inter alia, the non-confidential version of the application and the respective questionnaire(s), to the known interested parties and the diplomatic representative(s) of the subject countries, in accordance with Rule 6(4) of the Anti-Dumping 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 Rules.
26. 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.
27. The 15-day period to file comments on the scope of the PUC/PCN Methodology shall run concurrently with the time limit mentioned in paragraph 25 of this initiation notification.
28. 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. The extension of 15 days shall be granted from the 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 days extension (if granted), will ordinarily not be considered except in case of exceptional circumstances, in line with Rule 6(4) of the Rules.

29. 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.

M. Submission of information on confidential basis

30. 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.
31. The parties making any submission (including Appendices/Annexes attached thereto) before the Authority, including questionnaire responses, are required to file confidential and non-confidential versions separately.
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 provide a good cause statement 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 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.

36. 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.
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 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.
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 authorisation of the party providing such information.

N. Inspection of public file

40. 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

41. 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.

Digitally signed by
Amitabh Kumar
Date: 30-09-2026
13:37:03
(Amitabh Kumar)
Designated Authority