COUNTERVAILING / INITIATION

DGTR initiates countervailing duty investigation on PVC suspension resins from China

DGTR opens an anti-subsidy case on PVC suspension resins from China over 65 alleged subsidy programs and recommends provisional assessment of imports.

THE DIRECTORATE General of Trade Remedies has initiated a countervailing duty (anti-subsidy) investigation concerning imports of "PVC Suspension Resins" originating in or exported from China. The initiation notification is dated February 26, 2026 (Case No. CVD 02/2025, Case ID CVD/OI/1522025/01).

KEY FACTS

MEASURE
Countervailing

STAGE
Initiation

COUNTRIES
China

DATED
February 26, 2026

REFERENCES

Case No. CVD 02/2025

F. No.06/67/2025-DGTR

CG-DL-E-27022026-270537

HS CODES 8

3904 10 20	3904 10 10
3904 10 90	3904 21 00
3904 22 00	3904 90 10
3904 90 90	3904

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Case No. CVD 02/2025 · Initiation · February 26, 2026

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The application was filed by Chemplast Cuddalore Vinyls Limited, DCM Shriram Limited and DCW Limited, which account for a major share of Indian production. Pre-initiation consultations with the Government of China were held on January 20, 2026.

The product is suspension-grade PVC homopolymer with a K-Value above 55 and up to 77; resins with a K-Value below 55 or above 77 are excluded, as are specialty resins such as cross-linked PVC, CPVC, vinyl chloride – vinyl acetate copolymer, paste and emulsion resins, mass polymerization PVC and blending resins. It is used for pipes and fittings, hoses, films and sheets, bottles, profiles, wires and cables, and footwear. It is classified under 3904 10 20 and is also imported under other 3904 codes, so heading 3904 as a whole is considered; classification is indicative only. The period of investigation is October 1, 2024 to September 30, 2025.

The applicants allege 65 subsidy programs of the Government of China and its provincial and local bodies, from inputs supplied at less than adequate remuneration to tax incentives, preferential loans, grants, export credit and equity infusions. On their evidence, the Authority finds prima facie that subsidized imports rose and caused price suppression and depression, negative cash profits, PBIT and ROCE, and higher inventories.

The applicants have sought retrospective duty from the date of initiation. The Authority will examine that claim and recommends to the Ministry of Finance provisional assessment of all imports of the product pending the outcome. Interested parties are to file submissions, including comments on these requests, within 37 days from circulation of the non-confidential version of the application.

Measure	Countervailing
Stage	Initiation
Case number	Case No. CVD 02/2025
File number	F. No.06/67/2025-DGTR
Dated	February 26, 2026
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Gazette ID	CG-DL-E-27022026-270537
Product	PVC Suspension Resins
What it covers	The product under consideration is Homopolymer of Vinyl Chloride Monomer (suspension grade), also known as PVC Suspension Resin, manufactured through the suspension polymerization process with K-Value above 55 and up to 77, whether the vinyl chloride monomer is made from ethylene dichloride or calcium carbide. Resins with K-Value below 55 and above 77 are excluded, as are cross-linked PVC, chlorinated PVC (CPVC), vinyl chloride – vinyl acetate copolymer (VC-VAc), PVC paste resin / emulsion resins, Mass Polymerisation PVC, Polyvinyl Chloride Blending Resins, and PVC made by emulsion, bulk mass or micro suspension polymerization.
Customs codes	3904 10 20, 3904 10 10, 3904 10 90, 3904 21 00, 3904 22 00, 3904 90 10, 3904 90 90, 3904
Countries	China
Applicant	Chemplast Cuddalore Vinyls Limited, DCM Shriram Limited and DCW Limited
Period of investigation	1st October 2024 – 30th September 2025 (12 months)
Injury period	2022-23, 2023-24, 2024-25 and the POI
Findings	• Pre-initiation consultations were held with representatives of the Government of China on 20.01.2026 under Article 13 of the Agreement on Subsidies and Countervailing Measures. • The applicants allege 65 subsidy programs, grouped as goods and services at less than adequate remuneration (including water, land, steam coal, electricity, caustic soda and chlorine), tax and VAT incentives, preferential loans and lending, grants, export financing and export credit, and equity infusion. • The schemes are alleged to involve a financial contribution by the Government of China or regional or local governments, including public bodies, to confer a benefit, to be specific, and in some cases to be contingent on the use of domestic over imported goods or on export performance. • The applicants account for a major share of domestic production and are treated as the domestic industry; they name Finolex Industries Limited and Reliance Industries Limited as two other producers and claim both are regular importers of the subject goods.

- The applicants have provided prima facie evidence that subject imports increased in absolute and relative terms, that price suppression and depression prevented the domestic industry from recovering full cost, that its cash profits, PBIT and ROCE are negative, and that its inventory increased.

Recommendation

The Authority initiates an anti-subsidy investigation under Section 9 of the Act read with Rule 6 of the Rules to determine the existence, degree and effect of the alleged subsidization and the countervailing duty adequate to remove injury. It recommends to the Ministry of Finance the provisional assessment of all imports of the product under consideration pending the outcome of the investigation, and will examine the applicants' claim for retrospective imposition of duty.

Time limits

- Interested parties to upload submissions and questionnaire responses (confidential and non-confidential versions) on the SETU portal, including comments on provisional assessment and retrospective imposition: 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 Designated Authority or transmitted to the appropriate diplomatic representative of the exporting country
- Requests for additional time, showing sufficient cause: within the time stipulated in the notification
- Comments on confidentiality claimed by the domestic industry: within 7 days from the date of circulation of the non-confidential version of the documents filed before the Authority

The notification (PDF, 889 KB)

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