ANTI-DUMPING / FINAL FINDINGS

DGTR recommends anti-dumping duty on PVC paste resin from EU and Japan

DGTR recommends five-year anti-dumping duty of USD 417 to 469 per MT on PVC paste resin from the EU and Japan; Kaneka's exports are under a price undertaking.

THE DIRECTORATE GENERAL of Trade Remedies has issued final findings dated March 19, 2026 in its anti-dumping investigation into imports of "Poly Vinyl Chloride (PVC) Paste Resin" originating in or exported from the European Union and Japan (Case No. AD (OI) - 31/2024). The investigation was initiated on January 24, 2025 on an application by Chemplast Sanmar Limited, which constitutes the domestic industry; Finolex Industries Limited is the only other Indian producer. The period of investigation is April 1, 2023 to September 30, 2024 (18 months), chosen to cover a time with no duties in force and a time when anti-dumping duties applied to imports of the product from other countries.

KEY FACTS

MEASURE

Anti-dumping

STAGE

Final findings

COUNTRIES

European Union, Japan

DATED

March 19, 2026

REFERENCES

Case No. AD (OI) - 31/2024

F. No. 6/33/2024-DGTR

CG-DL-E-24032026-271252

HS CODES 1

39041010

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Case No. AD (OI) - 31/2024 · Final findings · March 19, 2026

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The product, also known as Emulsion PVC Resin, is used mainly to make artificial leather, and also coated fabrics, tarpaulins and other goods. The scope excludes resins with a K value below 60K, PVC blending resin, co-polymers, battery separator resins, Inovyn's grades PVC 173GB and 174GY, the low-carbon grades Biovyn, Neovyn and Recovyn, and cross-linked resins. The Authority refused users' requests to exclude resins made by emulsion polymerization and high viscosity, low fogging, pseudoplastic and thixotropic grades. It found that the resin is not shown to be the main factor in the viscosity or fogging of the plastisol and coated fabric made from it, and that several claimed specialty grades are imported at prices comparable to other grades.

Inovyn Europe Limited and Kaneka Corporation responded; Westlake Vinnolit GmbH & Co. KG registered but did not respond. Kaneka and its trader Mitsui & Co. Ltd. gave a price undertaking, which the Authority accepted, so no margins were set for Kaneka. The Authority found dumping margins of 100-110% for the EU and 60-70% for other Japanese producers, and injury margins of 30-40% for Inovyn, 50-60% for other EU producers and 40-50% for other Japanese producers. Imports from the EU and Japan rose from 13,205 MT in 2022-23 to 24,906 MT in 2023-24 and shot up after duties were imposed in June 2024 on imports from China, South Korea, Malaysia, Norway, Taiwan and Thailand, reaching 21,036 MT in April to September 2024 alone (an annualized 30,628 MT for the period of investigation); they undercut the domestic industry's prices by 0-10% and depressed them. The domestic industry's volumes grew, but it moved into losses, cash losses and a negative return on capital employed.

The Authority recommends anti-dumping duty at the lesser of the dumping and injury margins for five years from the date of the Central Government's notification: USD 417 per MT for Inovyn Europe Limited or Inovyn Deutschland GmbH, USD 464 per MT for other EU producers and USD 469 per MT for producers in Japan. Exports by Kaneka, directly or through Mitsui, are covered by the undertaking and attract no duty while it is in effect and adhered to. The Authority found the effect of the duty on users insignificant. An appeal lies before the Customs, Excise and Service Tax Appellate Tribunal.

Measure	Anti-dumping
Stage	Final findings
Case number	Case No. AD (OI) - 31/2024
File number	F. No. 6/33/2024-DGTR
Dated	March 19, 2026
Published in the Gazette	March 19, 2026
Put online	March 24, 2026
Gazette ID	CG-DL-E-24032026-271252
Product	Poly Vinyl Chloride (PVC) Paste Resin
What it covers	Poly Vinyl Chloride Paste Resin, also known as PVC paste resin or Emulsion PVC Resin, produced from vinyl chloride monomer and usually sold as a white or off-white powder. It is used mainly to make artificial leather, and also rexene, coated fabrics, tarpaulins, conveyor belting, toys, automotive sealant, adhesives and gloves. Excluded are subject goods with a K value below 60K, PVC Blending Resin, all co-polymers or co-polymer grades of PVC paste resin, battery separator resins, Grades PVC 173GB and 174GY (non-grinded emulsion grades produced by Inovyn), the low-carbon grades Biovyn, Neovyn and Recovyn accompanied by acceptable evidence of sustainability, and cross-linked resins. Resins made by emulsion polymerization and by micro-suspension polymerization are both covered, as are high viscosity and low fogging grades. Two PCNs by K value: 60-70 (Medium) and above 70 (High), as notified on May 13, 2025. The customs classification is indicative only and not binding on the scope.
Customs codes	39041010
Countries	European Union, Japan
Applicant	Chemplast Sanmar Limited
Period of investigation	1st April 2023 to 30th September 2024 (18 months)
Injury period	2020-21, 2021-22, 2022-23 and the period of investigation
Findings	• Chemplast Sanmar Limited constitutes the domestic industry under Rule 2(b) and satisfies the standing requirement of Rule 5(3); the only other Indian producer is Finolex Industries Limited, and DG Systems data show no imports of the product by Chemplast. • Exclusions granted: cross-linked resins, requested by Kaneka, which the domestic industry had not justified including; Inovyn's

non-grinded emulsion grade 174GY, with 173GB already excluded by the notice of May 13, 2025; and the low-carbon grades Biovyn, Neovyn and Recovyn, which the domestic industry does not produce and did not object to excluding. Vestolit GmbH's request, made after the disclosure, to exclude its own low-carbon grades was not accepted.

- Exclusions refused: resins made by emulsion polymerization, as the parties did not establish that they differ from micro-suspension resins in essential product characteristics and earlier findings on the product had refused the same exclusion; grades with pseudoplastic and thixotropic properties, as the request was not supported by evidence; grades not registrable under IS 17658:2021, as the quality control order for that standard never entered into force and the proposal to introduce it was withdrawn, so those grades were and remain freely importable; and individual IS 17658:2021 grades not produced in commercial quantities, as all eight grades can be made on the same production lines. Westlake Vinnolit's request to exclude certain specialty grades was refused because it did not appropriately identify technical differences and made no further submissions after the product scope notice.
- Exclusion of high viscosity grades was refused. The Authority found that apparent viscosity is measured at the level of the plastisol made from the resin, that the resin is not shown to be its sole or predominant determinant, and that it can be raised or lowered by formulation, including the plasticizer used and additives. It also found that several grades claimed to be high viscosity grades are imported at prices comparable to other grades and to the domestic industry's selling price.
- Exclusion of low fogging grades (fogging value below 2 mg) was refused. Standards such as ISO 6452 apply to fabrics coated with PVC plastisol, not to the resin; most of the volatile matter and fogging in a coated fabric comes from the plasticizer; and test reports show that a coated fabric made with Chemplast Grade 121, produced in commercial quantities in the period of investigation, and suitable plasticizer and additives has low fogging properties. Several claimed low fogging grades are also imported at comparable prices. The Authority noted that the domestic industry developed customized high viscosity and low fogging grades after the period of investigation, and accepted as confidential the names of users who attested that its Grades 120(C) and 121(C) suit those applications.

- Inovyn Europe Limited, with its related companies, and Kaneka Corporation filed exporter questionnaire responses; Westlake Vinnolit GmbH & Co. KG registered but did not respond and was treated as non-cooperative. Normal value for Inovyn was based on all its domestic sales, more than 80% of which were profitable; the export price for non-cooperating EU producers, and normal value and export price for non-cooperating producers in Japan, were determined on facts available under Rule 6(8). The dumping margins are 100-110% for Inovyn Europe Limited and for any other EU producer, and 60-70% for any other producer in Japan. Inovyn's export price to India was below its cost of production.
- Kaneka Corporation, Japan and its trader Mitsui & Co. Ltd. gave a price undertaking under Rule 15, which the domestic industry and the Authority accepted: no exports to India below the FOB Japan VCM price under the agreed benchmark (CMA Global Vinyl's Monthly Market report, midpoint) plus a confidential fixed markup per MT, or below that price plus actual ocean freight and insurance on a CIF basis, with a flat USD 50 per MT added for deliveries to an Inland Container Depot where the exporter bears the inland movement. No normal value, export price, dumping margin or injury margin was determined for Kaneka.
- Imports from the EU and Japan, annualized for the period of investigation, rose from 17,544 MT in 2020-21 and 13,205 MT in 2022-23 to 30,628 MT (25,611 MT from the EU and 5,017 MT from Japan), and their share of total imports went from 15% in 2022-23 to 35%. They were 24,906 MT in 2023-24 and 21,036 MT in April to September 2024 alone. After anti-dumping duties were imposed in June 2024 on imports from China, South Korea, Malaysia, Norway, Taiwan and Thailand, imports from those countries declined steeply, and the Authority found that the dumping shifted to the EU and Japan.
- In the period of investigation the landed price of subject imports was INR 90,338 per MT from the EU and INR 91,588 per MT from Japan (INR 90,543 per MT on average), undercutting the domestic industry's net sales realization by 0-10%. The landed price fell much more steeply in that period than the price of ethylene, the basic raw material, and did not move in line with it over the injury period. Over the injury period the domestic industry's cost of sales rose by 29 index points while its selling price fell by 17 index points, and the Authority found that the dumped imports depressed its prices.

- The domestic industry's production and domestic sales rose throughout, and a new plant of 41,000 MT per annum began commercial production in February 2024, but it moved from profits in 2020-21 and 2021-22 to losses in 2022-23 that deepened in the period of investigation, with cash losses, a loss at the PBIT level and a return on capital employed that was significantly negative in the period of investigation; its closing inventory rose sharply and its market share fell over the injury period. The Authority attributed the 2022-23 losses to dumping from the countries now subject to duty, and found that the injury cannot be attributed to the capacity expansion alone, since cash losses and losses before interest also deepened in the period of investigation. Further expansion, within an environmental clearance for 70,000 MT, has been put on hold.
- The injury margins are 30-40% for Inovyn Europe Limited, 50-60% for any other EU producer and 40-50% for any other producer in Japan. Imports from the countries subject to duty, which on the domestic industry's information are landed above its cost and selling price once the duty is included (Korea excepted, whose imports were found undumped and significantly lower than the subject imports), demand, which grew, technology, export performance and the other Indian producer were found not to have caused the injury.
- The impact of the duty on downstream users is found insignificant. On the domestic industry's estimates, PVC paste resin is 0.15% of the cost of a car, 0.77% of footwear and 0.73% of a sofa set; even on the users' figure of 3 to 9% for footwear, a 10% rise in the resin price is not significant. Demand grew while earlier duties were in force, users' profitability stayed constant after the duties on other countries, and the landed price in the period of investigation was about INR 54,730 per MT below that of 2021-22.

Recommendation

The Authority recommends anti-dumping duty equal to the lesser of the margin of dumping and the margin of injury on imports of the subject goods originating in or exported from the European Union and Japan, for five years from the date of the Central Government's notification: USD 417 per MT for Inovyn Europe Limited or Inovyn Deutschland GmbH, USD 464 per MT for any other EU producer and USD 469 per MT for producers in Japan. Exports by Kaneka Corporation, directly or through Mitsui & Co. Ltd., are covered by the price undertaking and attract no anti-dumping duty while it remains in effect and is adhered to.

Duty expressed as

USD per MT

For how long	A period of 5 years from the date of notification to be issued in this regard by the Central Government
What happens next	The duty would apply from the date of the notification to be issued by the Central Government. The individual rate applies only on presentation of a commercial invoice carrying the prescribed producer declaration; otherwise the duty for all other companies applies. Kaneka's price undertaking takes effect from the date the Central Government decides to implement these findings, lasts as long as the duty, does not apply to sales to importers holding advance licences or to export-oriented units or SEZ units, and is subject to review. If the Central Government does not accept it, the Authority will separately intimate the duty to be imposed and its effective date; if it is violated, the Authority may recommend duty applied retrospectively from the date of the violation or withdrawal. An appeal lies before the Customs, Excise and Service Tax Appellate Tribunal.

The duty table

Country	Producer	Duty
European Union (country of origin), exported from any country including European Union	Inovyn Europe Limited or Inovyn Deutschland GmbH	USD 417 per MT
European Union (country of origin), exported from any country including European Union	Any producer other than SN 1 mentioned above	USD 464 per MT
Any country other than countries attracting anti-dumping duty (country of origin), exported from European Union	Any producer	USD 464 per MT
Japan (country of origin), exported from any country including Japan	Any producer	USD 469 per MT
Any country other than countries attracting anti-dumping duty (country of origin), exported from Japan	Any producer	USD 469 per MT

The notification (PDF, 2.1 MB)

Gazette of India, CG-DL-E-24032026-271252, published March 19, 2026.

Checked against the official copy on November 2, 2026.

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