ANTI-DUMPING / SUNSET REVIEW FINAL FINDINGS

DGTR recommends continuing anti-dumping duty on flexible slabstock polyol from Saudi Arabia

DGTR's sunset review recommends keeping anti-dumping duty on flexible slabstock polyol from Saudi Arabia at USD 150.06 and USD 235.02 per MT for five more years.

THE DIRECTORATE GENERAL of Trade Remedies has issued final findings dated March 17, 2026 in the sunset review of the anti-dumping duty on imports of "Flexible Slabstock Polyol" originating in or exported from Saudi Arabia (Case No. AD (SSR)-01/2025). The review was sought by Manali Petrochemicals Limited, the sole Indian producer, in an application dated January 29, 2025, and was initiated on March 18, 2025. The applicant had also sought review of the duties on imports from Singapore and the UAE, but the Authority did not initiate the review for those two countries.

KEY FACTS

MEASURE
Anti-dumping

STAGE
Sunset review final findings

COUNTRIES
Saudi Arabia

DATED
March 17, 2026

REFERENCES

Case No. AD (SSR)- 01/2025

F. No. 07/03/2025-DGTR

CG-DL-E-23032026-271180

HS CODES 3

3907 29 10
3907 29 90
3907 20

DGTR recommends continuing anti-dumping duty on flexible slabstock polyol from Saudi Arabia

Case No. AD (SSR)- 01/2025 · Sunset review final findings · March 17, 2026

The Directorate General of Trade Remedies has issued final findings dated March 17, 2026 in the sunset review of the anti-dumping duty on imports of "Flexible Slabstock Polyol" originating in or exported from Saudi Arabia (Case No. AD (SSR)- 01/2025). The review was sought by Manali Petrochemicals Limited, the sole Indian producer, in an application dated January 29, 2025, and was initiated on March 18, 2025. The applicant had also sought review of the duties on imports from Singapore and the UAE, but the Authority did not initiate the review for those two countries.

The duty was recommended in final findings dated September 1, 2020 in an investigation covering Saudi Arabia and the UAE, and imposed by Notification No. 20/2021-Customs (ADD) dated April 5, 2021. The product is flexible slabstock polyol of molecular weight 3000-4000, used to make polyurethane foams for upholstery, mattresses, pillows, bolsters, transport seating and packaging, whether made by the KOH or the DMC catalyst route. The period of investigation is October 1, 2023 to September 30, 2024, and the injury period covers 2021-22, 2022-23, 2023-24 and the period of investigation. Sadara Chemical Company, Saudi Basic Industries Corporation (SABIC) and other SABIC and Dow companies filed questionnaire responses.

DGTR found dumping margins of 90-100% for Sadara Chemical Company and 100-120% for all others, against 20-30% in the previous investigation, and injury margins of 20-30% and 30-40% respectively. Imports from Saudi Arabia rose 72% over the injury period, from 31,923 MT to 54,791 MT, against a 33% rise in demand, and undercut the domestic industry's prices by 20-30% in the period of investigation, while their landed price fell by 55% over the injury period. The domestic industry's production, sales and market share declined, its capacity utilization was below 50% in the period of investigation, and it suffered losses, with a negative return on capital employed in the period of investigation. DGTR found a likelihood of continued dumping and injury if the duty lapsed.

DGTR recommends continuing the duty set in the original final findings for a further five years: USD 150.06 per MT for Sadara Chemical Company and USD 235.02 per MT for all other producers and for goods of other origin exported from Saudi Arabia. It found the impact on downstream users negligible, estimating the combined effect of the duties on FSP and TDI at about 2.4% of the price of a mattress. The Central Government is to issue the notification imposing the duty.

Measure	Anti-dumping
Stage	Sunset review final findings
Case number	Case No. AD (SSR)- 01/2025

File number	F. No. 07/03/2025-DGTR
Dated	March 17, 2026
Published in the Gazette	March 17, 2026
Put online	March 23, 2026
Gazette ID	CG-DL-E-23032026-271180
Product	Flexible Slabstock Polyol
What it covers	Flexible Slabstock Polyol, a clear viscous liquid polymer of molecular weight 3000-4000, manufactured by polymerization of propylene oxide and ethylene oxide with a triol chain starter. It is a polyether that, on reaction with catalysts and additives, yields polyurethane foams used in upholstery, mattresses, pillows, bolsters, transport seating and packaging, and is transported in tankers or stored in steel drums. FSP made by the KOH route and by the DMC catalyst route is covered. The scope is the same as in the original investigation, which gave the classification as 3907 20; the domestic industry submitted that the product has been imported under tariff items 3907 29 10 and 3907 29 90 since February 2022, the codes in the duty table. The classification is indicative only and not binding on the scope.
Customs codes	3907 29 10, 3907 29 90, 3907 20
Countries	Saudi Arabia
Applicant	Manali Petrochemicals Limited
Period of investigation	1st October 2023 to 30th September 2024 (12 months)
Injury period	2021-22, 2022-23, 2023-24 and the period of investigation
Findings	• The applicant had sought review of the duty on imports from Singapore, Saudi Arabia and UAE; the Authority did not initiate the review for Singapore, because the application was not filed within the timeline prescribed under Trade Notice No. 2/2017, or for UAE, where there are no known producers that can export the product to India, so the review covers Saudi Arabia only. • Requests to exclude FSP made with Double Metal Cyanide (DMC) catalyst technology or create a separate PCN for it, and to limit the scope to molecular weight 3000, were rejected: the Authority found DMC-based and KOH-based FSP to be like articles used interchangeably, that no significant difference in their costs and prices had been shown, and that the domestic industry has produced and sold FSP of molecular weight above 3000.

- Manali Petrochemicals Limited is the sole Indian producer, accounting for 100% of Indian production; it did not import the subject goods in the period of investigation and is not related to any exporter or importer, so it constitutes the domestic industry under Rule 2(b), and the application satisfies the standing requirement of Rule 5(3).
- Sadara Chemical Company sold its goods in Saudi Arabia to SABIC, which resold them to unaffiliated customers; as there were no profitable domestic sales in the period of investigation, normal value was based on the cost of production determined by the Authority with selling, general and administrative costs and a notional profit. Normal value and export price for all other producers were determined on facts available.
- The dumping margins are 90-100% for Sadara Chemical Company and 100-120% for any other producer; the dumping margin for Saudi Arabia was 20-30% in the previous investigation.
- Imports from Saudi Arabia rose every year, from 31,923 MT in 2021-22 to 54,791 MT in the period of investigation, an increase of 72% against a 33% rise in demand, and their share of total imports rose from 32% to 37%.
- The subject imports undercut the domestic industry's prices by 20-30% in the period of investigation. Their landed price fell by 55%, from ₹2,18,484/MT in 2021-22 to ₹98,230/MT in the period of investigation, while the domestic industry's raw material cost remained unchanged, and in 2023-24 and the period of investigation it was below that raw material cost. The domestic industry's selling price fell by 34% from the base year while its cost of sales rose, which the Authority found to be price depression and the prevention of price increases.
- The domestic industry's production, domestic sales and market share declined over the injury period, and its inventories increased significantly. Its capacity utilization was below 50% in the period of investigation even after excluding the shutdown caused by Cyclone Michaung, and it suffered losses and cash losses, with a negative return on capital employed in the period of investigation.
- After rechecking its calculations following the disclosure statement and correcting certain errors, including in the landed value, the Authority determined injury margins of 20-30% for Sadara Chemical Company and 30-40% for any other producer.
- The Authority finds a likelihood of continuation of dumping and injury if the duty ceases, citing continued dumping despite the duty, rising imports, Sadara's exports to India growing faster than

its exports to third countries, imports rising and their prices falling further after the period of investigation, and India as a lucrative market with growing demand.

- No other known factor was found to cause injury: imports from other countries were priced higher than the subject imports, imports from China and Thailand are subject to a parallel anti-dumping investigation, the lack of backward integration is inherent to the domestic industry and unchanged, and the effect of the cyclone shutdown was removed from the capacity data.
- Using a consumption of 12.2 kg per mattress submitted by the Association and an import price of US$ 1,300 per MT, the Authority puts polyol at about 19% of the price of a Rs. 6,000 mattress, so a 10%, 20% or 30% increase in its price would raise the mattress price by 1.9%, 3.8% or 5.7%; it puts the combined impact of the duties on FSP and on TDI (up to US$ 344.33 per MT) at about 2.4%, and finds the impact on downstream users negligible.
- The Authority notes the domestic industry's capacity expansion in Gujarat, finds the duty necessary to protect the domestic industry's operations and the viability of its investments, and finds that not imposing it would adversely impact the upstream propylene oxide industry.

Recommendation	The Authority recommends continuation of the definitive anti-dumping duty as notified vide final finding F. No. 6/20/2019-DGTR, dated September 1, 2020, at the amounts in Column (7) of the duty table, on all imports of the product under consideration from Saudi Arabia for a further period of five years.
Duty expressed as	Amount in USD per MT
For how long	A further period of five years from the date of the notification to be issued in this regard by the Central Government
What happens next	The duty is recommended for a further five years from the date of the notification to be issued by the Central Government. The individual rate for Sadara Chemical Company applies only on presentation of a commercial invoice carrying the prescribed declaration; otherwise the duty for all others applies. An appeal against the Authority's determination in these final findings lies before the Customs, Excise and Service Tax Appellate Tribunal.

The duty table

Country	Producer	Duty

Saudi Arabia (country of origin), exported from any country including Saudi Arabia	Sadara Chemical Company	USD 150.06 per MT
Saudi Arabia (country of origin), exported from any country including Saudi Arabia	Any, other than that mentioned at S.N. 1	USD 235.02 per MT
Any country other than Saudi Arabia (country of origin), exported from Saudi Arabia	Any	USD 235.02 per MT

The notification (PDF, 1.7 MB)

Gazette of India, CG-DL-E-23032026-271180, published March 17, 2026.

Checked against the official copy on November 2, 2026.

IndusDesk

hello@indusdesk.com · +91 11 4141 3939

9th Floor, Hemkunt House, Rajendra Place, New Delhi, Delhi 110008, India

Read online: indusdesk.com/dgtr/tracker/recommends-continuing-anti-dumping-duty-on-flexible-slabstock-271180/