ANTI-DUMPING / SUNSET REVIEW FINAL FINDINGS

DGTR recommends continuing anti-dumping duty on natural mica pearl pigments from China

DGTR's sunset review recommends keeping anti-dumping duty on natural mica pearl pigments from China at US$ 299 and US$ 3144 per MT for five more years.

THE DIRECTORATE GENERAL of Trade Remedies has issued final findings dated October 22, 2026 in the sunset review of the anti-dumping duty on imports of Natural Mica based Pearl Industrial Pigments excluding Cosmetic Grade from China (Case No. AD (SSR)-15/2025). The review was sought by Sudarshan Chemical Industries Limited, the sole Indian producer, and was initiated on March 5, 2026.

KEY FACTS

MEASURE
Anti-dumping

STAGE
Sunset review final findings

COUNTRIES
China

DATED
October 22, 2026

REFERENCES

Case No. AD (SSR)-15/2025

F. No. 7/31/2025-DGTR

CG-DL-E-22102026-277355

HS CODES 9

32064990	32061900
32041759	32041739
32041720	32041790
32071040	32061110
32061190	

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The duty was imposed by Notification No. 47/2021-Customs (ADD) dated August 26, 2021 and enhanced after a mid-term review by Notification No. 13/2023-Customs (ADD) dated November 22, 2023. It was in force until August 25, 2026 and has since been extended twice, by three months each time, up to February 25, 2027, pending this review. The product, commercially known as Titanium Dioxide or Iron Oxide coated Mica Pearl Pigment, Pearl Lustre Pigments or Pearl Pigments, is used for color and pearlescent and metallic effects in coatings, inks and plastics; cosmetic grade is excluded and synthetic forms are not covered. It is classified under subheading 3206 11, and after the mid-term review the duty was extended to seven further codes. The period of investigation is October 1, 2024 to September 30, 2025.

Fujian Kuncai Material Technology Company Limited and Rika Technology Company Limited filed responses. DGTR found dumping margins of 30-40% for Kuncai, 40-50% for Rika and 60-70% for all others, injury margins of 10-20%, 20-30% and 30-40% respectively, and price undercutting of 10-20%. Imports from China fell from 1,183 MT in 2022-23 to 809 MT in the period of investigation, and the domestic industry's production, sales and market share rose, but it suffered losses over the entire injury period, with a negative return on capital employed. DGTR found a likelihood of continued dumping and injury if the duty lapsed, citing, among other factors, that 85-95% of Kuncai's and 90-100% of Rika's third-country export volumes were below normal value, that Kuncai's idle capacity alone is more than twice Indian demand, and capacity expansions of 42,000 MT in China.

DGTR recommends continuing the duty for five years at the same rates, without re-quantifying it: US$ 299 per MT for Fujian Kuncai Material Technology Company Limited and US$ 3144 per MT for all other producers and for exports from China of goods originating elsewhere. Producers that had an individual rate in the original investigation but did not respond in this review get the residual duty, and Rika's request for an individual rate as a new producer/exporter was not accepted. The Central Government is to issue the notification imposing the duty; an appeal lies before the Customs, Excise and Service Tax Appellate Tribunal.

Measure	Anti-dumping

Stage	Sunset review final findings
Case number	Case No. AD (SSR)-15/2025
File number	F. No. 7/31/2025-DGTR
Dated	October 22, 2026
Published in the Gazette	October 22, 2026
Gazette ID	CG-DL-E-22102026-277355
Product	Natural Mica based Pearl Industrial Pigments excluding Cosmetic Grade
What it covers	Chemically a titanium dioxide coated, lustrous pearlescent pigment, commercially known as Titanium Dioxide or Iron Oxide coated Mica Pearl Pigment, Pearl Lustre Pigments or Pearl Pigments, used to impart colors and other effects, such as lustrous or shining frosted, pearlescent and metallic effects, for coating, inks and plastics applications. The anti-dumping investigation covered the natural form for industrial and automotive applications; cosmetic grade is excluded and synthetic forms are not covered. The scope is the same as in the original investigation, and no participating party requested an exclusion. The PCN methodology, clarified by notice dated April 16, 2026, sorts the product by application (non-automobile or automobile), by silver, gold, iridescent, earth tones (bronze, copper or maroon) or others, and by particle size (small, regular, large or special). The customs classification is indicative only and not binding on the scope.
Customs codes	32064990, 32061900, 32041759, 32041739, 32041720, 32041790, 32071040, 32061110, 32061190
Countries	China
Applicant	Sudarshan Chemical Industries Limited
Period of investigation	1st October 2024 to 30th September 2025
Injury period	1st April 2022 to 31st March 2023, 1st April 2023 to 31st March 2024, 1st April 2024 to 31st March 2025 and the POI
Findings	• The applicant is the sole producer of the product in India and has certified that it is not related to any producer in China or any importer in India; its own imports from China, which it states were for sample purposes, were less than 1% of the 809 MT imported from China in the period of investigation and less than 1% of its production, and it is held to be an eligible domestic industry under

Rule 2(b), and its application meets the standing criteria of Rule 5(3).

- None of the producers or exporters in China filed the market economy treatment questionnaire, and no party provided information for a market economy third country; normal value was determined PCN-wise under para 7 of Annexure I on the price payable in India, the basis also used in the original and mid-term review investigations, having regard to the optimized cost of production in India adjusted for administrative, selling and general costs and profits.
- Four producers in China registered; Fujian Kuncai Material Technology Company Limited and Rika Technology Company Limited filed responses, while Henan Lingbao New Materials Technology Company Limited and Henan Lingbao New Materials Company Limited did not, and no separate margin was determined for them. The dumping margins are 30-40% for Kuncai, 40-50% for Rika and 60-70% for all other producers/exporters, above de minimis; Kuncai's margin was 0-10% in the original investigation and 10-20% in the mid-term review.
- Imports from China declined from 1,183 MT in 2022-23 to 809 MT in the period of investigation, and fell relative to Indian production and consumption, while demand rose over the injury period, with a slight decline in the period of investigation; imports from the European Union were above de minimis but priced significantly higher than the domestic industry's prices and the subject imports, and are found neither to cause nor likely to cause injury.
- The weighted average price undercutting is 10-20%, and the landed price of the subject imports is below the domestic industry's cost of sales; over the injury period the domestic industry's cost of sales fell by 13 index points and its selling price by 3, and the Authority finds that it has been unable to reach a remunerative level and that its prices are depressed.
- With the duty in force, the domestic industry's capacity, production, domestic sales, capacity utilization and market share increased, but it suffered losses over the entire injury period, though declining, with negative profit before interest and return on capital employed; its cash losses turned into a cash profit in the period of investigation, its closing inventory rose sharply and it operates with substantial idle capacity.
- The Authority finds a likelihood of continued dumping and of continued or recurring injury if the duty ceases, citing continued dumping; 85-95% of Kuncai's and 90-100% of Rika's third-country

export volumes below normal value, and 70-80% and 90-100% below the non-injurious price; Kuncai's idle capacity alone being more than twice the total demand in India in the period of investigation; export orientation of 30-40% for Kuncai and 20-30% for Rika; capacity expansions of 42,000 MT in China; and the proposed outline of China's 15th Five-Year Plan, which focuses on the pearlescent pigment industry.

- The injury margins are 10-20% for Kuncai, 20-30% for Rika and 30-40% for any other producer, with the non-injurious price based on a pre-tax return of 22% on average capital employed.
- The countervailing duty on effect pearlescent pigments from China, imposed by Notification No. 04/2025-Customs (CVD) dated June 26, 2025, has a different product scope; the overlap was addressed in that investigation's final findings and corrigendum, and the continued anti-dumping duty is to be given effect consistently with them, so that the goods are not subjected to both duties to compensate for the same situation.
- On the data of Kansai Nerolac Paints Limited, the only user that filed the prescribed data annexures, the duty in force adds less than 1% to the total cost of the downstream product, and the impact on the downstream industry is found insignificant; the domestic industry's capacity is sufficient to cater to the demand in India. The Indian Paint Association, Kansai Nerolac Paints Limited and Berger Paints India Limited are found not to have fully cooperated.

Recommendation	The Authority recommends continuation of the definitive anti-dumping duty imposed vide Notification No. 47/2021-Customs (ADD) dated August 26, 2021 and modified by Notification No. 13/2023-Customs (ADD) dated November 22, 2023, at the same rates and without re-quantifying it, on all imports of the subject goods originating in or exported from China, for five years. Producers/exporters that were accorded an individual rate in the original investigation but did not file a questionnaire response in this review are accorded the residual duty. Rika Technology Company Limited's request for an individual duty as a new producer/exporter was not accepted; the Authority notes that a producer/exporter that did not export to India in the original period of investigation may seek a review under Rule 22.
Duty expressed as	Fixed amount in US$ per MT
For how long	Five (5) 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 five years from the date of the notification to be issued by the Central Government; the existing duty has been extended up to February 25, 2027, pending the outcome of this review. The individual rate for Fujian Kuncai Material Technology Company Limited applies only on presentation of a commercial invoice carrying the prescribed producer declaration; otherwise the residual duty applies. An appeal against the findings lies before the Customs, Excise and Service Tax Appellate Tribunal under Section 9C of the Customs Tariff Act, 1975.

The duty table

Country	Producer	Duty
China PR (country of origin), exported from any country including China PR	Fujian Kuncai Material Technology Company Limited	US$ 299 per MT
China PR (country of origin), exported from any country including China PR	Any producer other than at SN 1	US$ 3144 per MT
Any country other than China PR (country of origin), exported from China PR	Any producer	US$ 3144 per MT

The notification (PDF, 2.3 MB)

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Read online: indusdesk.com/dgtr/tracker/recommends-continuing-anti-dumping-duty-on-natural-mica-277355/