ANTI-DUMPING / SUNSET REVIEW FINAL FINDINGS

DGTR recommends five more years of anti-dumping duty on HFC R-32 from China

DGTR recommends continuing the anti-dumping duty on HFC R-32 from China for five more years, at USD 1,171.78 to USD 1,519.70 per MT.

THE DIRECTORATE GENERAL of Trade Remedies has issued final findings dated September 18, 2026 in the sunset review of the anti-dumping duty on imports of "Hydrofluorocarbon (HFC) Component R-32" originating in or exported from China (Case No. AD (SSR)-11/2025). The review was initiated on September 24, 2025 on an application by SRF Limited, the sole Indian producer during the injury period. The period of investigation is April 1, 2024 to March 31, 2025.

KEY FACTS

MEASURE

Anti-dumping

STAGE

Sunset review final findings

COUNTRIES

China

DATED

September 18, 2026

REFERENCES

Case No. AD (SSR)-11/2025

F. No. 7/18/2025-DGTR

CG-DL-E-28092026-276550

HS CODES 2

2903 42 00

2903 39 19

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Case No. AD (SSR)-11/2025 · Sunset review final findings · September 18, 2026

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The duty was first imposed by Notification No. 75/2021-Customs (ADD) dated December 21, 2021. R-32, or difluoromethane, is a refrigerant used in air conditioning and in blends such as R-410A and R-407C, and is classified under 2903 42 00.

The Authority found continued dumping, with margins from 20-30% to 60-70%, and price undercutting of 20-30%. Imports from China fell sharply in the POI, which the Authority attributes to China not releasing its full HFC production quota. The domestic industry returned to profit in the POI after losses in 2023-24, but the Authority holds that it remains vulnerable, citing substantial freely disposable HFC capacity in China and exports to third countries at dumped and injurious prices that exceed demand in India.

Concluding that expiry is likely to lead to dumping and injury, the Authority recommends continuing the duty for five more years without re-quantifying it: USD 1,255.05, 1,171.78 and 1,344.60 per MT for three named producers, and USD 1,519.70 per MT for all others. The duty would apply from the date of the Central Government's notification, and 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)-11/2025
File number	F. No. 7/18/2025-DGTR
Dated	September 18, 2026
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Gazette ID	CG-DL-E-28092026-276550
Product	Hydrofluorocarbon (HFC) Component R-32 or Difluoromethane

What it covers	The product is Hydrofluorocarbon (HFC) Component R-32 or Difluoromethane (CH2F2, CAS No. 75-10-5), also known as HFC-32, FC-32, Freon-32, Methylene difluoride and other names, used mainly in residential air conditioning, as a component of refrigerant blends R-410A and R-407C, and as a stand-alone refrigerant. The scope and product control numbers are the same as in the original investigation.
Customs codes	2903 42 00, 2903 39 19
Countries	China
Applicant	SRF Limited
Period of investigation	1st April 2024 to 31st March 2025
Injury period	1st April 2021 to 31st March 2022, 1st April 2022 to 31st March 2023, 1st April 2023 to 31st March 2024 and the POI
Findings	• SRF Limited was the sole producer in India during the injury period and constitutes the domestic industry; after the POI, Gujarat Fluorochemicals Limited (10,000 MT capacity) and Navin Fluorine International Limited (9,000 MT capacity) also began producing R-32, and Gujarat Fluorochemicals Limited supported continuation of the measure. • No Chinese producer rebutted the non-market economy presumption, and normal value was based on the CIF export price from the United Arab Emirates to India, adjusted to ex-factory level. • Dumping margins are in the range of 20-30% for M/s Zibo Feiyuan Chemical Co., Ltd. and Fujian Qingliu Dongying Chemical Ind. Co., Ltd, 30-40% for Shandong Dongyue Refrigerants Co., Ltd and 60-70% for all other producers/exporters. • Subject imports rose in 2022-23 and then fell, to 1,571 MT in the POI from 6,144 MT in 2021-22; price undercutting is in the range of 20-30% and persists in the POI. • The domestic industry turned to losses in 2023-24 and earned reasonable profits in the POI; the Authority holds that it remains vulnerable to injury and attributes the fall in imports in the POI to the Government of China not releasing the full HFC production quota, a measure it considers temporary and reversible. • The Authority's conclusions state freely disposable HFC production capacity in China of 413,500 MT (the capacity table, based on 2023 data, shows surplus capacity of 320,500 MT), with capacities interchangeable between HFC products, and third-country exports from China at dumped, injurious and price-attractive levels exceeding Indian demand, and concludes that expiry of the duty is likely to lead to dumping and injury.

- Injury margins are negative for Zibo Feiyuan and Fujian Qingliu Dongying, 0-10% for Shandong Dongyue Refrigerants and 20-30% for all other producers/exporters; the Authority considers it not appropriate to re-quantify the margins in this review.
- The impact of continuing the duty on air conditioners, refrigerants and heat pump systems is put at 0.14%-0.68% of the price of the end product, and continuation is found not to be against the public interest.

Recommendation

The Authority recommends continuation of the anti-dumping duty imposed by Notification No. 75/2021-Customs (ADD) dated 21st December 2021, as amended by Notification No. 22/2025-Customs (ADD) dated 15th July 2025, on imports of R-32 from China for a further five years, at the amounts in the duty table; producers that took part in the original investigation but not in this review are given the residual duty.

Duty expressed as

Fixed amount in USD per MT

For how long

A further period of five (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 a notification to be issued by the Central Government. Individual rates require a commercial invoice carrying the producer declaration set out in the findings. An appeal lies before the Customs, Excise and Service Tax Appellate Tribunal.

The duty table

Country	Producer	Duty
China PR (country of origin), exported from any country including China PR	Zibo Feiyuan Chemical Co., Ltd.	USD 1,255.05 per MT
China PR (country of origin), exported from any country including China PR	Shandong Dongyue Refrigerants Co., Ltd.	USD 1,171.78 per MT
China PR (country of origin), exported from any country including China PR	Fujian Qingliu Dongying Chemical Ind. Co., Ltd	USD 1,344.60 per MT
China PR (country of origin), exported from any country including China PR	Any other than S. No. 1 to 3	USD 1,519.70 per MT
Any country other than China PR (country of origin), exported from China PR	Any	USD 1,519.70 per MT

The notification (PDF, 1.8 MB)

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