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**No.6/3/2021-DGTR  
Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Directorate General of Trade Remedies  
Jeevan Tara Building, 5, Parliament Street, New Delhi 110001**

Dated 30<sup>th</sup> March, 2021

**INITIATION NOTIFICATION**

**OI Case No. 03/2021**

**Subject: Initiation of anti-dumping investigation concerning imports of Fluoro Backsheet Originating in or exported from China PR**

1. Renewsys India Private Limited (hereinafter also referred to as the 'Petitioner' or 'Applicant') has filed an application before the Designated Authority (hereinafter referred to as the 'Authority') in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred to as the 'Act') and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 as amended from time to time (hereinafter referred to as the 'Rules') for imposition of Anti-Dumping Duty on imports of Fluoro Backsheet (hereinafter referred to as the 'subject goods' or 'PUC') from China PR.

**A. Product under consideration**

2. The product under consideration in the present application is "Fluoro Backsheet". Backsheet is a polymer based component used in the manufacturing of solar PV modules. It is manufactured using lamination process where one or more sheets are laminated / coated using solvent or extrusion lamination and / or liquid coating technology. Currently, there are mainly two types backsheet in the market, Fluoro and non-Fluoro.
3. Fluoro Backsheet could be fully laminated or partially/fully coated. Fluoro backsheet is made by laminating/coating a Fluoro layer on the air and/or cell side of the backsheet during the manufacturing process. Few distinct properties of Fluoro backsheet over non-Fluoro backsheet are as follows.
  - a) Higher protection to the module form UV
  - b) Higher resistance to hydrolytic degradation
  - c) Low dirt and dust affinity leading it to keep modules clean form the back side.
4. Fluoro Backsheet is available in different sizes and colours. The Petitioner manufactures all forms of backsheet depending upon the market demand and the customer requirements.
5. Backsheet is used to manufacture Solar PV modules to protect cells and other module components from dirt, dust, moisture and UV radiations during the service life time of the module. One sheet of the Backsheet equal to the size of module is used in making one set



of module. The cell connected with string is placed between two sheets of Encapsulant followed by a layer of the backsheet. Glass is placed on other side of the sandwich during the module making. The sandwich is then put into hot chamber under vacuum where the Encapsulant is melted and form the module. This semi-finished module is further subjected to framing, function box fixing, testing and final packing for shipments.

6. The applicant has stated that the subject products are predominantly imported under Chapter Heading 39 "Plastics and articles thereof". They have further stated that the subject goods are imported under different codes from company to company and country to country (majorly under the headings 3920 and 3921). The Authority notes that the custom classification is indicative only and in no way, it is binding upon the product scope and the product description prevails in circumstances of conflict.

#### **B. Like Article**

7. The applicant has claimed that the subject goods, which are being dumped into India, are identical to the goods produced by the domestic industry. There are no differences either in the technical specifications, quality, functions or end-uses of the dumped imports and the domestically produced subject goods and the product under consideration manufactured by the applicant. The two are technically and commercially substitutable and hence should be treated as 'like article' under the AD Rules. Therefore, for the purpose of the present investigation, the subject goods produced by the applicant in India are being treated as 'Like Article' to the subject goods being imported from the subject country.

#### **C. Domestic Industry & Standing**

8. The application has been filed by Renewsys India Private Limited. As per the submission of the Applicant, there are four producers of the subject goods in India including the applicant. The applicant has claimed that they have imported miniscule quantity of the subject goods from China PR for testing and R & D purposes, and they are not related to any other producer/exporter of subject goods in China PR or any importer in India. The Authority has examined the claims of the applicant and has taken note of the imports made by them. It is noted that the imports made by the applicant are insignificant in comparison to the total imports of the subject goods in India, production of subject goods in India and Demand. From the information available on record, the Authority holds that the production of the applicant accounts for a major proportion in Indian production of the subject goods. Therefore, the Authority has considered the applicant as the Domestic Industry within the meaning of the Rule 2(b) of the Rules. Further, the application also satisfies the criteria of standing in terms of Rule 5 of the Rules supra.

#### **D. Basis of alleged dumping**

##### **a. Normal value**

9. The applicant has cited and relied upon Article 15(a) (i) of China's Accession Protocol. The applicant has claimed that producers in China PR must be asked to demonstrate that market economy conditions prevail in their industry producing the like product with regard to the manufacture, production and sale of the product under consideration. It has been stated by the applicant that in case the responding Chinese producers are not able to demonstrate that their costs and price information are market-driven, the normal value should be calculated in terms of provisions of Para 7 and 8 of Annexure- I to Rules.



10. It is noted that the Annexure I to the Rules prescribes for determination of the normal value inter-alia, on the basis of the price or constructed value in the market economy third country, or the price from such a third country to other countries, including India or where it is not possible, on any other reasonable basis including the price actually paid or payable in India.
11. Since neither appropriate market economy third country has been suggested by applicant nor any information concerning the price or constructed value in any market economy third country is readily available, the normal value for the purpose of initiation has been constructed on the basis of cost of production of the subject goods in India and selling, general & administration expenses along with reasonable addition for profit

**b. Export Price**

12. The Authority has computed the export price based on DGCI&S transaction-wise import data. Adjustments have been made for ocean freight, marine insurance, port expenses, bank charges, commission, credit cost, inland freight and non-refundable VAT, if applicable.

**c. Dumping Margin**

13. The normal value and the export price have been compared at ex-factory level, which prima facie shows that dumping margin is above the de-minimis level and is significant in respect of the PUC from China PR. There is prima facie evidence that the PUC from subject country is being dumped into the Indian market by the exporters from the subject country.

**E. Injury & Causal Link**

14. Information furnished by the Applicant has been considered for assessment of injury to the domestic industry. The Applicant has furnished prima facie evidence regarding the injury having taken place as a result of the alleged dumping, resulting in increased volume of dumped imports in absolute terms and in relation to production and consumption in India and price undercutting. The performance has been adversely impacted in respect of profitability and return on capital employed, as a result of increase in imports of product under consideration at a price below selling price and non-injurious price for the domestic industry. There is sufficient prima facie evidence of material injury being caused to the domestic industry by dumped imports from subject country to justify initiation of anti-dumping investigation.

**F. Initiation of Anti-Dumping Investigation**

15. On the basis of the duly substantiated application by or on behalf of the Domestic Industry, and having satisfied itself, on the basis of the prima facie evidence submitted by the Domestic Industry, substantiating dumping of the product under consideration originating in or exported from the subject country, injury to the Domestic Industry and causal link between such alleged dumping and injury, and in accordance with Section 9A of the Act read with Rule 5 of the Rules, the Authority, hereby, initiates an investigation to determine the existence, degree and effect of any alleged dumping in respect of the product under consideration originating in or exported from the subject country and to recommend the



amount of anti-dumping duty, which if levied, would be adequate to remove the injury to the domestic industry.

#### **G. Subject country**

16. The subject country for the present investigation is China PR.

#### **H. Period of Investigation**

17. The period of investigation (POI) for the present investigation is 1<sup>st</sup> October 2019 to 30<sup>th</sup> September 2020 (12 months). The injury period under investigation will, however, cover the periods April 2017 to March 2018, April 2018 to March 2019, April 2019 to March 2020, and the period of investigation (POI)

#### **I. Procedure**

18. Principles as given in Rule 6 of the Rules will be followed for the present investigation.

#### **J. Submission of information**

19. In view of the special circumstances arising out of COVID-19 pandemic, all communication should be sent to the Designated Authority via email at email address adg12-dgtr@gov.in, adv13-dgtr@gov.in, jd15-dgtr@gov.in and dd18-dgtr@gov.in. It should be ensured that the narrative part of the submission is in searchable PDF/ MS Word format and data files are in MS Excel format. The known producers/exporters in the subject country, Government of the subject country through their Embassy in India, the importers and users in India known to be concerned with the subject goods and the domestic industry are being informed separately to enable them to file all the relevant information in the form and manner prescribed within the time-limit set out below.
20. Any other interested party may also make its submissions relevant to the investigation in the form and manner prescribed within the time-limit set out below.
21. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other parties.

#### **K. Time Limit**

22. Any information relating to the present investigation should be sent to the Designated Authority via email at the email addresses adg12-dgtr@gov.in, adv13-dgtr@gov.in, jd15-dgtr@gov.in and dd18-dgtr@gov.in within 30 days from the date of the receipt of the notice as per the Rule 6(4) of the Rules. If no information is received within the prescribed time-limit or the information received is incomplete, the Authority may record its findings on the basis of the facts available on record in accordance with the Rules.
23. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses within the above time limit.



**L. Submission of Information on Confidential basis**

24. Any party making any confidential submission or providing information on confidential basis before the Authority, is required to simultaneously submit a non-confidential version of the same in terms of Rule 7(2) of the Rules. Failure to adhere to the above may lead to rejection of the response / submissions.
25. The parties making any submission (including Appendices/Annexures attached thereto), before the Authority including questionnaire response, are required to file Confidential and Non-Confidential versions separately.
26. The “confidential” or “non-confidential” submissions must be clearly marked as “confidential” or “non-confidential” at the top of each page. Any submission made without such marking shall be treated as non-confidential by the Authority, and the Authority shall be at liberty to allow the other interested parties to inspect such submissions.
27. The confidential version shall contain all information which is by nature confidential and/or other information which the supplier of such information claims as confidential. For information which is claimed to be confidential by nature or the information on which confidentiality is claimed because of other reasons, the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed.
28. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out (in case indexation is not feasible) and summarized depending upon the information on which confidentiality is claimed. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.
29. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or if the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.
30. Any submission made without a meaningful non-confidential version thereof or without good cause statement on the confidentiality claim shall not be taken on record by the Authority.
31. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorization of the party providing such information.

**M. Sharing of responses / submissions amongst interested parties**

32. A list of interested parties will be uploaded on DGTR’s website along with the request therein to all of them to email the non-confidential version of their submissions to all



interested parties since the public file will not be accessible physically due to ongoing global pandemic.

**N. Non-cooperation**

33. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.



**(Anant Swarup)**  
**Designated Authority**