

**F.No.6/30/2017-DGAD**  
**Government of India**  
**Department of Commerce**  
**Ministry of Commerce & Industry**  
**Directorate General of Anti-Dumping & Allied Duties**  
**Jeevan Tara Building, New Delhi-110001**

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Dated 21.7.2017

**INITIATION NOTIFICATION**  
**Case No. OI- 33/2017**

**(Original Investigation)**

**Subject: Initiation of Antidumping investigation concerning imports of “Solar Cells whether or not assembled partially or fully in modules or Panels or on glass or some other suitable substrates” originating in or exported from China PR, Taiwan and Malaysia.**

**F.No. 6/30/2017-DGAD:** Indian Solar Manufactures Association (hereinafter referred to as the petitioner) has filed an application before the Designated Authority (hereinafter also referred to as the Authority) in accordance with the Customs Tariff Act, 1975, as amended from time to time (hereinafter also referred to as the Act) and 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 also referred to as the Rules) for initiation of anti-dumping investigation and imposition of anti-dumping duties concerning imports of ‘Solar Cells whether or not assembled in modules or Panels or on glass or some other suitable substrates’ (hereinafter also referred to as subject goods), originating in or exported from China PR, Taiwan and Malaysia (hereinafter also referred to as the subject countries)

2. And whereas, on finding prima facie that evidence of dumping of the subject goods originating in or exported from the subject countries, injury to the domestic industry and a causal link between the said dumping and injury exists to justify an initiation of anti-dumping investigation; the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry concerning imports of the subject goods from subject countries in terms of Rule 5 of the Anti-Dumping Rules, to determine the existence, degree and effect of alleged dumping and injury to recommend the amount of antidumping duty, which if levied, would be adequate to remove the injury to the domestic industry.

**a. Product under consideration**

3. The product under consideration in the present investigation is 'Solar Cells whether or not assembled partially or fully in Modules or Panels or on glass or some other suitable substrates' (hereinafter referred to as Subject goods for the sake of brevity) originating in or exported from China PR, Taiwan and Malaysia.

4. Solar cell is a solid state electrical device that converts sunlight directly into electricity by the photovoltaic effect. To make the practical use of solar cells, the same is placed in panels or modules or on glass or some other suitable substrates. A solar panel/module is a packaged, connected assembly of solar cells. Thin films are also panels/modules. Scope of Product Under Consideration covers cells, modules and thin films.

5. Solar cells are also known as Photovoltaic Cells in the market parlance. Photovoltaic technology enables direct conversion of sun light into electricity and to make the practical use of photovoltaic technology, solar cells/modules or panels are produced and the same is predominantly used in solar power plants to generate electricity. Solar energy conversion into electricity takes place in a semiconductor device which is known as a solar cell. A single solar cell is a unit that delivers a certain amount of electrical power in terms watt and in order to achieve a particular amount of wattage, number of solar cells have to be connected together to form a solar panel, also called as PV module. For large-scale generations of solar electricity, the solar panels are connected together into a solar array.

6. There are two major technologies available for manufacturing of subject product as submitted. They are: (1) Crystalline Silicon (c-Si) based solar cell technology which is also known as wafer based technology and (2) Thin film Technology. The thin film technology may also use, Amorphous Silicon, Cadmium Tellurium (CdTe) or Copper Indium Gallium Selenide as semiconductor materials. Solar cells of both c-Si Technology and Thin Film Technology have been imported into India. The product under consideration (PUC) includes solar cells produced through both the technologies i.e. crystalline technology and thin film technology.

7. Product under consideration covered in the application filed and in this investigation is currently classified in the Harmonized Tariff System ("HSN") under subheading 8541 4011 which is common for Solar cells/modules manufactured through both the technologies.

8. The applicants manufacture solar cells/modules using c-Si Technology/crystalline technology as provided in the petition. The petitioners do not produce solar cells using Thin Film Technology. However, as claimed by the petitioner there is no material difference between subject goods of both these technologies imported and that manufactured by the applicants as the subject goods of both these technologies are like product and are used for same end use i.e for production of electricity from solar energy.



The petitioner has claimed that the domestically manufactured subject goods are 'like article' to the imported PUC.

**b. Like Article**

9. The petitioner has claimed that there is no known difference between the subject goods exported from subject countries and that produced by the petitioner. As submitted by the petitioner, Solar Cells and Modules produced by the domestic industry and that imported from subject countries are comparable in terms of essential product characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. Consumers can use and are using the two interchangeably. The petitioner has further claimed that two are technically and commercially substitutable and, hence, should be treated as 'like article' under the Rules. Therefore, for the purpose of the present investigation, the Authority treats the subject goods produced by the petitioner in India as 'Like Article' to the PUC being imported from the subject countries

**c. Domestic Industry & Standing**

10. The petition is filed by Indian Solar Manufacturers Association (ISMA) [hereinafter referred as the 'Petitioner'] on behalf of M/s Indosolar Limited, M/s Websol Energy Systems Limited, M/s Jupiter Solar Power Limited and M/s Jupiter International Limited - producers of subject goods. Petitioner have provided all the necessary information in the form and manner prescribed by the Designated Authority. Rest of the known producers of the subject goods in India are themselves importing the subject goods as claimed by the petitioner.

11. The petitioner has declared that it is not related either to any exporter or producer of the subject goods in the subject countries or any importer of the subject goods in India. Since the applicant commands a major proportion of the domestic production, it constitutes the domestic industry, within the meaning of the terms under Rule 2 (b) and satisfies the criteria of standing in terms of Rule 5 (3) of the AD Rules.

**d. Subject Countries**

12. The countries involved in the present investigation are China PR, Taiwan and Malaysia (referred to as the "subject countries").

**e. Normal Value**

13. The Applicants have claimed that China PR should be treated as a non-market economy country and its normal value be determined in accordance with Para 7 and 8 of Annexure I of the Rules.

The applicants have claimed normal value for subject countries on the basis of cost of production in India, duly adjusted. The Authority has prima-facie considered the normal

value of subject goods in subject countries on the basis of constructed values as made available by the applicants for the purpose of this initiation.

However, while submitting the questionnaire response producers/exporters may have to demonstrate prevalence of market condition related to manufacture, production, and sales of subject good in the domestic market and in export to India and other countries. For this purpose, the producer/exporter, may clarify and provide sufficient information on the following:

- a) Decision in regard to price, cost, input including raw material, cost of technology and labour, output, sales and investment, are without significant state interference and whether cost of major inputs substantially reflect market value.
- b) Production costs and financial situation does not suffer for any distortion.
- c) The producer/exporter are subject to bankruptcy and property law which guarantees legal certainty and stability for the operation of the firms.
- d) Exchange rate conversions are carried out at the market rate.

14. The petitioners have submitted that in the absence of availability of reliable information in the public domain on domestic prices of the subject goods in the subject countries, the Normal values in the subject countries have been estimated on the basis of cost of production taking into account prevailing international prices of raw materials, wherever available based on import prices of major raw material into India and conversion costs of the domestic industry, duly adjusted on account of selling, general & administration expenses, plus reasonable profit.

**f. Export Price**

15. The petitioner has claimed export price for the subject goods on the basis of Impex Statistic Services data. Adjustments have been claimed on account of ocean freight, marine insurance, commission, inland freight expenses, port expenses and bank charges to arrive at net export price at ex-factory level. There is sufficient prima facie evidence with regard to the export price claimed by the petitioner.

**g. Dumping Margin**

16. The normal value has been compared with the export price at ex-factory level. There is prima facie evidence that the normal value of the subject goods in the subject countries are higher than the ex-factory export price, indicating that the subject goods are being dumped into the Indian market by the exporters from the subject countries. The dumping margin so estimated is above de minimis levels and is significant.

**h. Injury and Causal Link**

17. Information furnished by the petitioner has been considered for assessment of injury



to the domestic industry. The petitioner has furnished evidence regarding the injury having taken place as a result of the alleged dumping in the form of increased volume of dumped imports in absolute terms and in relation to production and consumption in India, price suppression, price underselling and consequent significant adverse impact in terms of profits, return on capital employed and cash flow of the domestic industry. Apart from claims of material injury, the petitioner has also claimed threat being created by the dumped imports on their performance in the imminent future and made submission to this effect.

There is prima facie evidence of the 'injury' being suffered by the domestic industry caused by dumped imports from subject countries to justify initiation of an antidumping investigation.

**i. Period of Investigation (POI)**

18. The period of investigation (POI) for the present investigation is from 1<sup>st</sup> April-2016 to 30<sup>th</sup> June-2017(15 months). However, for the purpose of analyzing injury, the data of previous three years, i.e. Apr'13-Mar'14, Apr'14-Mar'15, Apr'15-Mar'16 and the period of investigation has been considered.

**j. Submission of information**

19. The known exporters in the subject countries, the Government of the subject countries through their embassy in India, the importers and users in India known to be concerned with the product are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Authority at the following address:

**The Designated Authority,  
Directorate General of Anti-Dumping & Allied Duties,  
Ministry of Commerce & Industry, Department of Commerce,  
4th Floor, Jeevan Tara Building, 5 Parliament Street,  
New Delhi -110001.**

20. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within the time limit set out below.

**k. Time limit**

21. Any information relating to the present investigation and any request for hearing should be sent in writing so as to reach the Authority at the address mentioned above not later than forty days (40 Days) from the date of publication of this Notification. 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 Anti-Dumping Rules.

22. 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 and offer their comments to the domestic industry's application regarding the need to continue or otherwise the Anti-dumping measures within 40 days from the date of initiation of this investigation.

#### **I. Submission of Information on Non-Confidential basis**

23. In case confidentiality is claimed on any part of the questionnaire's response/submissions, the same must be submitted in two separate sets (a) marked as Confidential (with title, index, number of pages, etc.) and (b) other set marked as Non Confidential (with title, index, number of pages, etc.). All the information supplied must be clearly marked as either "confidential" or "non-confidential" at the top of each page.

24. Information supplied without any confidential marking shall be treated as non-confidential and the Authority shall be at liberty to allow the other interested parties to inspect any such non-confidential information. Two (2) copies of the confidential version and five (05) copies of the non-confidential version must be submitted by all the interested parties.

25. For information claimed as confidential; 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 and/or why summarization of such information is not possible.

26. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out /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, parties submitting the confidential information may indicate that such information is not susceptible to summarization; a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.

27. 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 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.

28. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim may not be taken on record by the Authority. 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.

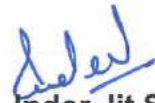


**m. Inspection of Public File**

29. In terms of rule 6(7) any interested party may inspect the public file containing non-confidential versions of the evidence submitted by other interested parties.

**n. Non-cooperation**

30. 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.



(Dr. Inderjit Singh)

**Additional Secretary & Designated Authority**

