

F.No. 6/10/2022-DGTR
Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Trade Remedies)
4th Floor, Jeevan Tara Building
5, Parliament Street, New Delhi – 110001

Dated: 30th September, 2022

INITIATION NOTIFICATION
Case No. AD(OI) – 10/2022

Subject: Initiation of anti-dumping investigation concerning imports of “Toughened glass for home appliances having thickness between 1.8 MM to 8 MM and area of 0.4 SqM or less” originating in or exported from China PR

F. No. 6/10/2022-DGTR- The Federation of Safety Glass (FOSG), an association of safety/speciality glass processors (hereinafter referred to as the ‘applicant association’) has filed an application before the Designated Authority, on behalf of M/s GSC Glass (P) Ltd. and M/s TPRS Enterprises (hereinafter referred to as the ‘domestic industry’), in accordance with the Customs Tariff Act, 1975 (hereinafter referred to as the ‘Act’) as amended in 1995 and thereafter, 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 ‘AD Rules’), for the initiation of anti-dumping investigation concerning imports of “Toughened glass for home appliances having thickness between 1.8 MM to 8 MM and area of 0.4 SqM or less” (hereinafter referred to as the ‘subject goods’ or ‘product under consideration’) originating in or exported from China PR (hereinafter referred to as the ‘subject country’).

2. The applicant association has alleged that material injury is being caused to the domestic industry due to the alleged dumped imports, originating on or exported from the subject country and has requested for the imposition of anti-dumping duties on the imports of the subject goods from the subject country.

A. PRODUCT UNDER CONSIDERATION

3. The product under consideration is “toughened glass for home appliances having thickness between 1.8 MM to 8 MM and area of 0.4 SqM or less” originating in or exported from China PR. The PUC is also known as tempered glass or safety glass. The present investigation is limited to the product under consideration imported for the purpose of use in home/household appliances such as refrigerator, cook-top, OTG, microwave, LED etc. Toughened glass imported for any other purpose such as automobiles, architecture etc. are excluded from the scope of the PUC.

4. Due to its inherent strength, high optical clarity, distortion free smooth surface etc., the application of the product has been increasing for different purposes. The subject goods are used for manufacturing various appliances such as gas stoves, refrigerators, domestic washing machines, lighting fixtures, cook-top, ovens, grills, chimneys etc.

5. The subject goods do not have a dedicated classification under Customs Tariff Act, 1975. The PUC is imported under Chapter 70 which pertains to "Glass and glassware". As per the applicant association, the classification at 8-digit level is 70071900 even though the PUC is imported under various other sub-headings such as 70072100, 70072900, 70074900, 70079900, 70134900, 70139900, 70199090, 70200019, 70200029, 70200090 of the Customs Tariff Act, 1975. The subheading is indicative only and is not binding on the scope of the PUC since the imports of PUC may be reported under various other subheadings also.

6. The parties to the investigation may provide their comments on the PUC as well as their proposal for construction of PCNs, if any, by 20th October 2022.

B. LIKE ARTICLE

7. The applicant association has claimed that the subject goods, which have been alleged to be dumped in India, are identical to the goods produced by the domestic industry. There are no known differences in the subject goods produced by the Indian industry and the product under consideration produced and exported from the subject country. The two products are comparable in terms of essential product characteristics such as physical and chemical characteristics, manufacturing process and technology, functions and uses, product specifications, pricing, distribution and marketing and tariff classification of the goods. Consumers can use and are using the two interchangeably. The Authority notes that the two are technically and commercially substitutable. Hence, for the purposes of the present investigation, the subject goods produced by the applicant is being treated by the Authority as 'like articles' to the subject goods being imported from the subject country.

C. SUBJECT COUNTRY

8. The subject country in the present petition is China PR.

D. PERIOD OF INVESTIGATION

9. The period of investigation (POI) adopted by the Authority for the present investigation is 1st April 2021 to 31st March 2022, and the period from April 2018 – March 2019, April 2019 – March 2020, April 2020 – March 2021 and April 2021 – March 2022 (POI) as the injury investigation period.

E. DOMESTIC INDUSTRY AND STANDING

10. The application has been filed by the Federation of Safety Glass (FOSG), an association of safety/speciality glass processors, on behalf of, M/s GSC Glass (P) Ltd. and M/s TPRS Enterprises. The application has been supported by M/s Nanda Glass Industries and M/s Shree Ashtavinayak Glass Private Limited by way of support letter. The domestic industry has not made any imports from the subject country during the POI and are not related to any

producer/exporter from the subject country. It is further noted that the domestic industry accounts for a major share of the total production of the eligible domestic production and therefore, has the requisite standing to file the present application in terms of Rule 2(b) of the AD Rules, 1995.

F. BASIS OF ALLEGED DUMPING

Normal value

11. The applicant association has claimed that in terms of Article 15(a)(i) of China's Accession Protocol and para 7 of the Annexure-I to the AD Rules, 1995, the normal value of producers from China PR may be determined based on the cost or domestic selling price prevailing in China PR only if the responding producers from the subject country demonstrate that their cost and price information are based on market driven principles and allow for fair comparison in terms of paras 1 to 6 of Annexure I to the AD Rules, 1995, failing which, normal value for the producers from the subject country must be determined as per based on paras 7 and 8 of Annexure I to the AD Rules, 1995.

12. The applicant association has also claimed that the data relating to cost or price in a market economy third country or recourse other alternative methods is not available at this stage. The normal value has been, therefore, constructed based on the best estimates of the cost of the production of the subject goods as per the best information available after duly adjusting the selling, general and administrative expenses with reasonable profit margin. The normal value has been computed based on the cost of production of the domestic industry after duly the selling, general and administrative expenses with reasonable profit margin.

Export Price

13. The export price of the subject goods has been computed based on the import data received from DG systems. The export price has been adjusted for the following expenses to arrive at net export price:

- a. Freight;
- b. Insurance;
- c. FOB export price;
- d. Port expenses;
- e. Bank charges;
- f. Inland freight expenses; and
- g. Commission.

Dumping Margin

14. The normal value and the export price have been compared at the ex-factory level, which *prima facie* shows that the dumping margin is above the *de-minimis* level and is significant in respect of the product under consideration from the subject country. Thus, there is sufficient *prima facie* evidence that the product under consideration from the subject country is being dumped in the domestic market of India by the exporters from the subject country.

G. INJURY AND CAUSAL LINK

15. The information furnished by the applicant association regarding the domestic industry has been considered for assessment of injury to the domestic industry. The applicant association has provided *prima facie* evidence with respect to the injury suffered by the domestic industry because of the alleged dumped imports in the form of increased volume of dumped imports in absolute as well as in relative terms in comparison to the production and consumption in India. Although, a few parameters enumerated in para (iv) of Annexure- II to the AD Rules, 1995, pertaining to the state of the domestic industry have registered a positive trend over the injury investigation period, it has been *prima facie* established that the profitability parameters have been adversely impacted because of the alleged dumped imports. Thus, there exists sufficient *prima facie* evidence that the domestic industry has suffered injury due to the alleged dumped imports from the subject country.

H. INITIATION OF ANTI-DUMPING INVESTIGATION

16. On the basis of a duly substantiated written application by the domestic industry, and having reached a satisfaction, based on the *prima facie* evidence submitted by the domestic industry concerning the alleged dumping of the product under consideration originating in or exported from the subject country and the consequential injury to the domestic industry as a result of the alleged dumping of the subject goods, and in accordance with Section 9A of the Act read with Rule 5 of the AD Rules, the Authority, hereby, initiates an investigation to determine the existence, degree and effect of the alleged dumping with respect to 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.

I. PROCEDURE

17. The principles as stipulated under Rule 6 of the AD Rules, 1995 shall be followed in the present investigation.

J. SUBMISSION OF INFORMATION

18. All communication should be sent to the Designated Authority via email at email address dd12-dgtr@gov.in and ad12-dgtr@gov.in with a copy to adg13-dgtr@gov.in and adv12-dgtr@gov.in. It must be ensured that the narrative part of the submission is in searchable PDF/MS-Word format and data files are in MS-Excel format.

19. The known producers/exporters in the subject country, the Government of the subject country through its Embassy in India, the importers and users in India who are known to be associated with the subject goods are being informed separately to enable them to file all the relevant information within the time limits mentioned in para 23 of this notification. All such information must be filed in the form and manner as prescribed by this Initiation Notification, the AD Rules, 1995 and the applicable trade notices issued by the Authority.

20. Any other interested party may also make submission relevant to the present investigation in the form and manner as prescribed by this Initiation Notification, the AD Rules, 1995 and the applicable trade notices issued by the Authority within time limit mentioned in this initiation notification.

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 interested parties.

22. Interested parties are further advised to keep a regular watch on the official website of the Designated Authority <http://www.dgtr.gov.in/> for any updated information with respect to this investigation.

K. TIME LIMIT

23. Any information relating to the present investigation should be sent to the Designated Authority via email at email address dd12-dgtr@gov.in and ad12-dgtr@gov.in with a copy to adg13-dgtr@gov.in and adv12-dgtr@gov.in within 30 days from the date on which it was sent by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting country as per Rule 6(4) of the AD Rules. If no information is received within the stipulated time limit or the information received is incomplete, the Authority may record its findings on the basis of the facts available on record and in accordance with the AD Rules, 1995.

24. 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 as stipulated in this notification.

25. Where an interested party seeks additional time for filing of submissions, it must demonstrate sufficient cause for such extension in terms of Rule 6 (4) of the AD Rules, 1995 and such request must come within the time stipulated in this notification.

L. SUBMISSION OF INFORMATION ON CONFIDENTIAL BASIS

26. Where any party to the present investigation makes confidential submissions or provides information on a confidential basis before the Authority, it is required to simultaneously submit a non-confidential version of such information in terms of Rule 7(2) of the AD Rules and in accordance with the relevant trade notices issued by the Authority in this regard.

27. Such submissions must be clearly marked as "confidential" or "non-confidential" at the top of each page. Any submission which has been made to the Authority without such markings shall be treated as "non-confidential" information by the Authority, and the Authority shall be at liberty to allow other interested parties to inspect such submissions.

28. The non-confidential version of the information filed by the interested parties should essentially be a replica of the confidential version with the confidential information preferably indexed or blanked out (where indexation is not possible) and such information must be appropriately and adequately summarized depending upon the information on which confidentiality is claimed.

29. 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 containing a sufficient and adequate explanation in terms of Rule 7 of the AD Rules, 1995 and appropriate trade notices issued by the Authority, as to why such summarization is not possible, must be provided to the satisfaction of the Authority. The other interested parties can offer their comments on the confidentially claimed within 7 days of receiving the non-confidential version of the document.

30. Any submission made without a meaningful non-confidential version thereof or without a sufficient and adequate cause statement in terms of Rule 7 of the AD Rules, 1995 and appropriate trade notices issued by the Authority, on the confidentiality claim shall not be taken on record by the Authority.

M. INSPECTION OF PUBLIC FILE

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

N. NON-COOPERATION

32. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period or within the time stipulated by the Authority in this initiation notification, 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