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Government of India Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Trade Remedies)
Jeevan Tara Building, 4th Floor, Parliament Street, New Delhi 110001

Dated the 10th February, 2020

INITIATION NOTIFICATION
(MTR Case No. 01/2020)

Subject: Initiation of Mid-Term Review to review the product scope of definitive Anti-Dumping duty imposed on Certain Float Glass and articles thereof originating in or exported from China PR.

1. Mahalaxmi Dyes & Chemicals Ltd (hereinafter also referred to as the ‘Petitioner’ or ‘Applicant’) has filed a mid-term review application seeking exclusion of ‘Extra Clear Float Glass’ (hereinafter referred to as ‘ECFG’ or ‘product under review’) from the purview of anti-dumping duty imposed on imports of “Float Glass of thickness 2 mm to 12 mm (both thickness inclusive) of clear as well as tinted variety (other than green glass) but not including reflective glass, processed glass meant for decorative, industrial or automotive purposes” (hereinafter also referred to as the “subject goods” or “product under consideration” or “PUC”) from China PR (herein after also referred to as subject country). Anti-dumping duty on EFCG from China PR is presently imposed vide Notification No. 47/2015-Customs (ADD) dated 8th of September 2015, and Anti-dumping duty is in force till 7th September, 2020.

Background:

2. Vide initiation notification No. 14/19/2002-DGAD dated 05th July, 2002, Designated Authority initiated an antidumping investigation concerning import of "Certain Float Glass", originating in or exported from China PR and Indonesia. The Preliminary Findings were issued by the Authority, vide Notification No. 14/19/2002-DGAD dated 20th November, 2002 and provisional duty was imposed by the Central Government, vide Notification No. 7/2003-Customs, dated 7th January, 2003. The Final Findings were issued by the Authority vide Notification No. 14/19/2002-DGAD, dated 22nd August, 2003 recommending anti-dumping duty on imports of ‘Float Glass of thickness 2 mm to 12 mm (both thickness inclusive) of clear as well as tinted variety (other than green glass) but not including reflective glass, processed glass meant for decorative, industrial or automotive purposes’ from China PR and Indonesia. Central Government accepted the recommendation and imposed definitive anti-dumping duty vide Notifications No. 165/2003-Customs, dated 12th November, 2003 for a period of five years from the date of provisional duty imposition.
3. Before expiry of the said duty, based upon an application from the domestic industry, Designated Authority conducted the first sunset review. Upon investigation, the Final Findings were issued by the Authority vide Notification No. 15/01/2007- DGAD dated 02nd December 2008 recommending continuation of anti-dumping duty on imports of subject goods from China PR and Indonesia. Central Government issued Customs Notification No. 04/2009-Customs

dated 06th January, 2009 and continued anti-dumping duty on the imports of the above goods, originating in or exported from the subject countries for a further period of five years i.e., up to 5th January 2014.

4. Further, before the expiry of the duty imposed vide Customs Notification No. 04/2009-Customs dated 06th January, 2009, based upon an application from the domestic industry, the Authority initiated the second sunset review investigation vide Notification No. 15/24/2013-DGAD dated 3rd January, 2014. During the pendency of the review, the validity of the anti-dumping duty on the imports of the subject goods from the subject countries was extended by the Central Government up to and inclusive of 5th day of January 2015, vide Notification No. 07/2014-Customs (ADD) dated 23rd January, 2014.
5. Vide Final Finding issued vide Notification No. 15/24/2013-DGAD dated 02.07.2015, the Designated Authority recommended continuation of definitive anti-dumping duty at the rate of USD 218/MT imposed on imports of Certain Float Glass, originating in or exported from China PR. The Designated Authority also recommended withdrawal of anti-dumping duty against Indonesia. The said recommendation was implemented by Ministry of Finance vide Notification No. 47/2015-Customs (ADD) dated 8th of September 2015 for a period of five years from the date of the notification.

Product under Consideration (PUC):

6. In the Final Findings- Notification No: 15/24/2013-DGAD dated 02.07.2015, the Designated Authority defined the product scope or PUC as under:

“Float Glass of thickness 2 mm to 12 mm (both thickness inclusive) of clear as well as tinted variety (other than green glass) but not including reflective glass, processed glass meant for decorative, industrial or automotive purposes.”

7. Both ordinary Float Glass and Extra Clear Float Glass are classified under the category “Glass and Glassware” in Chapter 70 of the Customs Tariff Act, 1975 and further under 7005 as per Customs Classification.

Product under review (PUR)

8. The applicant has filed a limited mid-term review request seeking exclusion of ‘ECFG’ claiming that the said product does not form part of the product scope as defined in Final Findings- Notification No: 15/24/2013-DGAD dated 02.07.2015.

9. The Applicant has defined ECFG as:

Extra clear, low-iron float glass, which is practically a colourless glass with negligible greenish tint visible on the edge and having a higher degree of light transmission and transparency achieved usually by reducing iron content in the glass. Extra clear float glass is also known in the market as ‘Ultra Clear Float glass’ or ‘Low Iron Float Glass’ (also referred to as product under review (PUR)).

10. It has been submitted by the Applicant that ECFG and ordinary Float Glass are significantly different in terms of their physical and technical characteristics. It has been claimed that ECFG exhibits higher visual light transmission than normal float glass, which is achieved usually by reducing iron content in the glass. ECFG or low iron glass is ultra-clear without a green tinge whereas Clear float glass is affected by a slight green tinge at the edges. It has also been claimed

by the Applicant that ECFG provides a higher degree of transparency than clear float glass and the percentage of light that passes through low iron glass is greater than clear float glass of the same thickness. Extra clear float glass finds application where high light transmission or high transparency is required such as solar panels that require maximum light transmissions, glass for light fixtures, viewing glasses, space applications, etc.

Grounds for Review:

11. The present application for mid-term review has been filed seeking appropriate modification in the product scope covered in the anti-dumping duty already levied. The grounds pleaded are as follows:
 - i. ECFG or low iron glass are different in physical appearance as ECFG is ultra-clear whereas Clear float glass is affected by a slight green tinge.
 - ii. There is higher degree of light transmission in ECFG as compared to Clear Float Glass.
 - iii. ECFG or ultra-clear float glass product contains 75% less iron content as compared to standard clear float glass. The typical iron content in silica sand used for CFG is around 650 ppm to 850 ppm whereas for ECFG, it is around 100 ppm to 200 ppm. Most of the iron oxide content present in silica sand is removed for manufacturing ECFG.
 - iv. A separate BIS standard has been proposed for ECFG.
 - v. Domestic Industry did not produce Extra Clear Float Glass at the time of original investigation as well as until the conclusion of last sunset review investigation. According to the information available with the applicants, the domestic industry is importing significant quantities of ECFG and reselling them in India.
 - vi. Since ECFG was neither produced by the Indian domestic industry nor imported into India at the time of original investigation, the existing measures do not cover ECFG.
 - vii. Import prices of ECFG are significantly higher than that of CFG, indicating that they are not substitutes for each other in the market place.
 - viii. ECFG and Clear Float Glass is advertised differently by companies worldwide and market perception is also quite different.
 - ix. Applicant claims that application of ECFG is completely different from normal CFG applications. It is further claimed that several applications can only use ECFG due to the functional and aesthetic limitations of CFG. Such applications are glass for solar panels that require maximum light transmissions, glass for light fixtures, viewing glasses, space applications, etc.
 - x. CESTAT Ahmedabad vide order no. A/11068-11069 /2019 dated 05.07.2019 has held that “Extra Clear glass” is altogether a different variety of glass as compared to Clear Float glass and as a result, concluded that anti-dumping duty is not payable on imports of ECFG.
 - xi. ECFG has been excluded by other jurisdictions, such as Australia, wherein number of variants, including low iron glass (or extra clear float glass) were excluded from the scope of anti-dumping measures on Clear Float Glass in nominal thicknesses of 3 to 12 millimeters (mm).
 - xii. Applicant has claimed that levy of anti-dumping duty on ECFG is adverse affecting his business as anti-dumping duty is being levied on imports of ECFG though no domestic alternative is available in the market.

Procedure

12. Having regard to the information provided by the Applicant indicating circumstances necessitating a review of the measure in force, the Authority now considers that a mid-term review of Anti dumping duty, recommended vide Final Findings No 15/24/2013-DGAD dated 2nd July 2015, and notified vide Notification No. 47/2015-Customs (ADD) dated 8th of

September 2015, limited to examining the scope of the PUC, is appropriate in terms of the provision of Section 9(A) of Customs Tariff (Amendment) Act 1995 read with Rule 23 of the Rules supra. The Authority also notes that the Applicant Mahalaxmi Dyes & Chemicals Ltd has provided sufficient evidence to prima facie establish the need for a mid-term review.

13. Accordingly, the Authority, hereby, initiates a mid- term review of definitive Anti-Dumping Duty imposed on ‘Certain Float Glass’ originating in or exported from China PR, limited to examining the scope of the PUC. The review covers limited aspects of Notification No. 15/24/2013-DGAD dated 2nd July 2015 and the definitive anti-dumping duty imposed by Notification No. 47/2015-Customs (ADD) dated 8th of September 2015.

Countries Involved

14. The country involved in the present investigation is China PR.

Period of Investigation (POI)

15. Since the application is for a limited purpose of exclusion of a certain type of product under consideration, the Authority does not propose to evaluate either the quantum of dumping or injury, hence, stipulation of a POI is not required.

Submission of information

16. The known exporters in the subject countries and their Governments through their embassy in India, 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.
17. 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.

The information/submission may be submitted to:

**The Designated Authority,
Directorate General of Trade Remedies,
Ministry of Commerce & Industry,
Department of Commerce, Government of India,
4th Floor, Jeevan Tara Building, 5, Parliament Street,
New Delhi-110001**

18. 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.

Time Limit

19. Any information relating to the present investigation should be sent in writing so as to reach the Authority at the address mentioned above within thirty days from the date of receipt of the notice as per Rule 6(4) of the Rules. It may, however, be noted that in terms of explanation of the said Rule, the notice calling for information and other documents shall be deemed to have been received one week from the date on which it was sent by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting country. 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.

20. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their responses/comments within the above time limit.

Submission of information on confidential basis

21. The parties making any submission (including Appendices / Annexure attached thereto), before the authority, are required to file the same in two separate sets, in case "confidentiality" is claimed on any part thereof.
22. 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. Soft copies of both the versions will also be required to be submitted, along with the hard copies, in two (2) sets of each.
23. 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. The 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.
24. 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, 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.
25. 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.
26. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim shall not be taken on record by the Authority.
27. 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.

Inspection of Public File

28. In terms of Rule 6(7) of the Rules, any interested party may inspect the public file containing non-confidential version of the information or evidence submitted by other interested parties.

Non-cooperation

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

(Bhupinder S. Bhalla)
Additional Secretary & Designated Authority