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**F. No. 6/32/2023-DGTR
Government of India
Ministry of Commerce and Industry
Directorate General of Trade Remedies)
4th Floor, Jeevan Tara Building,
5 Parliament Street, New Delhi – 110001**

Dated: 13th February 2024

INITIATION NOTIFICATION

Case No. CVD (OI) – 04/2023

Subject: Initiation of countervailing duty investigation concerning imports of “Textured Tempered Coated and Uncoated Glass” originating in or exported from Vietnam.

1. M/s Borosil Renewables Limited,(hereinafter referred to as the “applicant”), has filed an application before the Designated Authority (hereinafter referred to as the ‘Authority’), on behalf of domestic industry, in accordance with the Customs Tariff Act,1975 as amended from time to time (hereinafter referred as the ‘Act’) and the Customs Tariff (Identification, Assessment, and Collection of Countervailing Duty on Subsidized Articles and for Determination of Injury) Rules,1995, as amended from time to time (hereinafter referred to as the ‘Rules’), seeking initiation of countervailing duty investigation by alleging subsidization of textured tempered glass whether coated or uncoated”, originating in or exported from Vietnam (hereinafter referred to as the ‘subject country’).

A. Allegation of subsidization

2. The applicant has alleged that the producers/exporters of the subject goods in the subject country have benefitted from the actionable subsidies provided at various levels by the government of the subject country, including the government of different provinces and municipalities in which producers/exporters are located, and other public bodies. The applicant has relied upon the relevant laws, rules, regulations and other notifications of the relevant government agencies and public bodies as available in the public domain and in the determination of other investigating authorities who had conducted comprehensive investigations of such schemes and concluded the existence of countervailable subsidy programs.

B. Consultation

3. In terms of Article 13 of the Agreement on Subsidies and Countervailing Measures (ASCM) pre-initiation consultations were held on 26.12.2023 with the representatives of the Government of Vietnam. The comments received from the Vietnamese government have been taken on record and the same will be duly taken into consideration during the course of the investigation.

C. Subsidy programs

4. The *prima facie* evidence provided by the applicant shows that the producers and exporters of the subject goods in the subject country have benefitted from a number of subsidy schemes/programs, granted by the government of Vietnam and/or their respective public bodies as listed below. The alleged subsidies consist of direct transfer of funds and potential direct transfer of funds or liabilities; government revenue that is otherwise due is foregone or not collected; provision of goods and services for less than adequate remuneration; etc.

- a. Import duty exemption on imports of raw materials for enterprises in non-tariff zones
- b. Import duty exemption on imports of machinery and equipment
- c. Reduction of corporate income tax
- d. Exemption and reduction of land & water rent
- e. Investment support
- f. Investment credit by Vietnam Development Bank

5. It has been alleged that the above-mentioned schemes are subsidies since these involve a financial contribution from the government of Vietnam or other regional or local, including public bodies and confer a benefit on the recipient(s). These schemes are also alleged to be limited to certain enterprises or groups of enterprises and/or products and/or regions and therefore specific and countervailable.
6. The Designated Authority reserves the right to investigate other subsidies, which may be found to exist and availed by the producers and exporters of the subject goods, during the course of the investigation.

D. Allegation of injury and causal Link

7. The applicant has provided *prima facie* evidence with respect to the injury suffered by the domestic industry because of the subsidized imports from Vietnam. The volume of the subject imports from the subject country has increased in both absolute as well as in relative

terms. The capacity utilization of the domestic industry has declined. The price suppression and depression caused by the dumped imports have been preventing the domestic industry from increasing its prices to recover the full cost and achieve reasonable rate of return. The subject imports have an adverse impact on the profitability parameters of the domestic industry due to which the cash profits, PBIT and ROCE are negative throughout the injury investigation period. There has also been an increase in the inventory levels of the domestic industry. Thus, the evidence provided by the applicant *prima facie* shows injury to the domestic industry caused by the alleged subsidized imports from Vietnam.

E. Initiation of the investigation

8. On the basis of the duly substantiated application by the domestic industry, and having satisfied itself, on the basis of *prima facie* evidence submitted by the applicant substantiating the subsidization and consequent injury to the domestic industry, the Authority hereby initiates an anti-subsidy investigation into the alleged subsidization and consequent material injury to the domestic industry in accordance with Section 9 of the Act read with Rule 6 of the Rules, to determine the existence, degree, and effect of alleged subsidization and to recommend the amount of countervailing duty, which if levied would be adequate to remove the injury to the domestic industry.

F. Domestic Industry & Standing

9. Rule 2(b) defines domestic industry as follows:

“domestic industry’ means the domestic producers as a whole of the like article or domestic producers whose collective output of the said article constitutes a major proportion of the total domestic production of that article, except when such producers are related to the exporters or importers of the alleged subsidised article, or are themselves importers thereof, in which case such producers shall be deemed not to form part of domestic industry”

10. The application has been filed by M/s Borosil Renewables Limited. As per the application there is one more producer in India, viz. M/s Gobind Glass & Industries Ltd. apart from the applicant during the POI proposed by the applicant. However, post filing of the application, the Authority has received support letters from four more domestic producers namely M/s Triveni Glass, M/s Vishakha Renewables, M/s Emerge Glass and M/s Gold Plus Glass Ltd., who have recently commenced the production of the product under consideration. Hence, during the POI adopted by the Authority there are five more producers of the PUC apart from the applicant and the applicant still accounts for a major proportion of the total production in India.
11. The applicant has not imported the subject goods from the subject country. The applicant is also not related to any the importer or the exporter of the subject goods.

12. Since the production of the applicant accounts for a major proportion of the total production of the subject goods in India, the applicant satisfies the standing and constitutes domestic industry within the meaning of Rule 2(b) of the CVD Rules, 1995 and the application satisfies the requirements of Rule 6(3) of the CVD Rules, 1995.

G. Product under consideration

13. The product under consideration in the present application is “textured toughened (tempered) glass with a minimum of 90.5% transmission of thickness not exceeding 4.2 mm (including tolerance of 0.2 mm) and where at least one dimension exceeds 1500 mm, whether coated or uncoated” (hereinafter also referred to as “textured tempered glass” or “TTG” or “subject goods” or “product under consideration” or “PUC”). The product is also known by various names such as solar glass, low iron solar glass, solar glass low iron, solar photovoltaic glass, high transmission photovoltaic glass, tempered low iron patterned solar glass, etc. in the market parlance.
14. Textured tempered glass is used as a component in solar photovoltaic panels and solar thermal applications. The level of transmission can be achieved by keeping the iron content low, typically less than 200 ppm. The transmission level goes up by about 2%-3% when coated with an anti-reflective coating liquid.
15. The parties to the present investigation may provide their comments on the PUC and propose product control numbers (PCNs), if any, within 15 days of circulation of the non-confidential version of the application filed before the Authority as indicated in paragraph 24 of this initiation notification.

H. Like Article

16. The applicant has stated that there are no significant differences in the article produced by the applicant and exported from the subject country. The article produced by the applicant and imported from Vietnam are comparable in terms of physical and chemical characteristics, manufacturing process and technology, functions and uses, product specifications, pricing, distribution and marketing, and tariff classification of the subject goods. The subject goods and the article manufactured by the applicant are technically and commercially substitutable. The applicant has claimed that consumers of the PUC are using the subject goods and the article manufactured by the applicant interchangeably. Thus, for the purposes of initiation of the present investigation, the subject goods produced by the applicant are being treated as like article to the product being imported from Vietnam.

I. Country involved

17. The application has been filed in respect of alleged subsidization of the subject goods originating in or exported from Vietnam. Therefore, the subject country for the present investigation is Vietnam.

J. Period of Investigation

18. The applicant has proposed 1st July 2022 to 30th June 2023 (12 months) as the period of investigation (hereinafter also referred to as 'POI'). However, the Authority has considered the POI as 1st January 2023 to 31st December 2023 (12 months). The injury information has been provided for the POI and three preceding years, i.e., April 1, 2020 to March 31, 2021, April 1, 2021 to March 31, 2022, April 1, 2022, to March 31, 2023.

K. Submission of Information

19. All communication should be sent to the Designated Authority via email at email addresses dd11-dgtr@gov.in and ddl6-dgtr@gov.in with a copy to adg14-dgtr@gov.in and adv13-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.
20. The known producers/exporters in the subject country, the government of the subject country through its embassy in India, and 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 this initiation notification. All such information must be filed in the form and manner as prescribed by this initiation notification, the Rules, and the applicable trade notices issued by the Authority.
21. Any other interested party may also make a submission relevant to the present investigation in the form and manner as prescribed by this initiation notification, the Rules, and the applicable trade notices issued by the Authority within the time limits mentioned in this initiation notification.
22. 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.
23. Interested parties are further directed to regularly visit the official website of the Directorate General of Trade Remedies (<https://www.dgtr.gov.in/>) to stay updated and apprised with the information as well as further processes related to the investigation.

L. Time Limit

24. Any information relating to the present investigation should be sent to the Designated Authority via email at email address dd11-dgtr@gov.in and ddl6-dgtr@gov.in with a copy to adg14-dgtr@gov.in and adv13-dgtr@gov.in within 30 days from the date on which the non-confidential version of the application filed by the domestic industry would be circulated by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting country as per Rule 7(4) of the CVD Rules. If no information is received within the stipulated time limit or the information received is incomplete, the

Authority may record its findings based on the facts available on record and in accordance with the Rules.

25. 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.
26. Where an interested party seeks additional time for filing of submissions, it must demonstrate sufficient cause for such extension in terms of Rule 7(4) of the CVD Rules, 1995 and such request must come within the time stipulated in this notification.

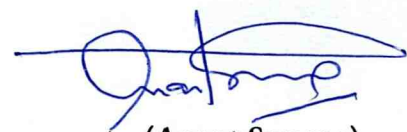
M. Submission of information on confidential basis

27. Where any party to the present investigation makes confidential submissions or provides information on a confidential basis before the Authority, such party is required to simultaneously submit a non-confidential version of such information in terms of Rule 8 of the CVD Rules and in accordance with the relevant trade notices issued by the Authority in this regard.
28. Such submissions must be clearly marked as "confidential" or "non-confidential" at the top of each page. Any submission that 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.
29. 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 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.
30. The non-confidential version of the information filed by the interested parties should 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.
31. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on a 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 8 of the 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.

32. The interested parties can offer their comments on the issues of confidentiality claimed by any interested party within 7 days from the date of circulation of the non-confidential version of the documents filed before the Authority as indicated in paragraph 24 of this initiation notification.
33. Any submission made without a meaningful non-confidential version thereof or a sufficient and adequate cause statement in terms of Rule 8 of the Rules, and appropriate trade notices issued by the Authority, on the confidentiality claim shall not be taken on record by the Authority.
34. 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.
35. 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.
36. 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 and other information to all other interested parties. Failure to circulate non-confidential version of submissions might lead to action under Section N of this initiation notification.

N. Non-Cooperation

37. 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 subsequently time period provided through separate communication, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings based on the facts available and make such recommendations to the Central Government as it deems fit.


(Anant Swarup)
Designated Authority