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US Imposes Preliminary Anti-Dumping Duty on Indian Solar Cells

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The United States has announced a preliminary anti-dumping duty of about 123% on imports of solar cells and modules from India. The decision was taken by the U.S. Department of Commerce after an investigation found that Indian manufacturers were allegedly exporting solar products at prices below fair market value (dumping), thereby harming domestic industry.?

Scope and Countries Involved

The anti-dumping investigation also covers imports from:

Indonesia

Laos

Duty rates announced:

India: ~123%

Indonesia: ~35%

Laos: ~22%

These three countries together accounted for a major share of US solar imports (around two-thirds) in recent years.

Reason for Imposition (Concept of Dumping)

Anti-dumping duties are imposed when a country exports goods at prices lower than their normal value, causing injury to domestic producers. The U.S. investigation concluded that Indian firms were engaging in such pricing

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practices, leading to market distortion and unfair competition.

The move was supported by the Alliance for American Solar Manufacturing and Trade, representing domestic companies seeking protection.

Impact on India and Global Trade

The duty is expected to negatively affect India's solar exports, as the U.S. is a key market.

It may reduce competitiveness of Indian manufacturers in the global market.

Could lead to trade tensions between India and the US.

Indian firms may increasingly diversify exports to other regions such as Europe, the Middle East, and Africa.

Timeline and Future Process

The current duty is preliminary, not final.

Final determination expected:

Around July 2026 for India and Indonesia

Around September 2026 for Laos

Parallel investigations on countervailing duties (subsidy-related) are also ongoing.

Anti-Dumping Duty (ADD)

Imposed to protect domestic industries from unfair trade practices.

In India, governed by Customs Tariff Act, 1975 (Section 9A).

Solar Industry Context

Solar cells are part of renewable energy infrastructure (crystalline silicon photovoltaic cells).

Global competition is intense due to subsidies and cost differences.

US Trade Policy Trend

The US has previously imposed duties on solar imports from countries like:

Vietnam

Malaysia

Thailand

Cambodia

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India's Solar Sector

India is among the fastest-growing solar markets under:

National Solar Mission

Production Linked Incentive (PLI) scheme

Aims to reduce import dependence and boost domestic manufacturing.