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**INDIA – MEASURES CONCERNING TRADE IN GOODS IN THE SOLAR CELL,
SOLAR MODULE, AND INFORMATION TECHNOLOGY SECTORS**

REQUEST FOR THE ESTABLISHMENT OF A PANEL BY CHINA

The following communication, dated 11 May 2026, from the delegation of China to the Chairperson of the Dispute Settlement Body, is circulated pursuant to Article 6.2 of the DSU.

On 19 December 2025, China requested consultations with the Government of India ("India") under Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU"), Article XXIII of the General Agreement on Tariffs and Trade 1994 ("GATT 1994"), Articles 4 and 30 of the Agreement on Subsidies and Countervailing Measures ("SCM Agreement"), and Article 8 of the Agreement on Trade-Related Investment Measures ("TRIMs Agreement"), with respect to the tariff treatment that India accords to certain technology products, and to certain measures adopted by India that are contingent upon the use of domestic over imported goods or that otherwise discriminate against goods of Chinese origin.¹

Consultations were held on 10 February 2026 with a view to reaching a mutually agreed solution. Unfortunately, those consultations failed to resolve the dispute.

Accordingly, China submits the following request for the establishment of a panel pursuant to Articles 4.7 and 6 of the DSU, Article XXIII of the GATT 1994, Articles 4.4 and 30 of the SCM Agreement, and Article 8 of the TRIMS Agreement.

I. Background

1. This Request concerns certain measures maintained by India that affect trade in goods in the solar cell, solar module, and information technology sectors. Specifically, it relates to *first*, India's **tariffs on the technology products** identified in Annex A below ("Annex A products"), and; *second* the conditions that govern the eligibility for, and disbursement of incentives under, the **Production Linked Incentive Scheme: National Programme on High Efficiency Solar PV Modules** ("Solar Module Programme").
2. The Solar Module Programme is in furtherance of India's "Make in India" initiative, which was launched in 2014.² The primary goals of this initiative are to increase investment in Indian manufacturing, foster innovation, and to develop India's manufacturing sector.³

¹ WT/DS644/1.

² Press Information Bureau of India, *PLI Scheme: Powering India's Industrial Renaissance*, available at <https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=155082&ModuleId=3®=3&lang=2> (last accessed 28 April 2026).

³ Department for Promotion of Industry and Internal Trade, *Make in India*, available at [https://www.dpiit.gov.in/ministry/about-us/details/Title=Make-in-India-\(MII\)-ITMwETMtQWa](https://www.dpiit.gov.in/ministry/about-us/details/Title=Make-in-India-(MII)-ITMwETMtQWa) (last accessed 28 April 2026).

II. Measures at Issue

3. China describes the measures at issue below.

A. Tariff Measures

4. India applies customs duties, and/or other duties or charges on or in connection with importation ("import duties/charges"), in excess of the bound rate set out in its Schedule of Commitments for the Annex A products listed below. As set forth in Annex A, India maintains these import duties/charges under the First Schedule to the Indian Customs Tariff Act, 1975 ("First Schedule") and, for certain products, an additional import duty/charge, called the Agriculture Infrastructure and Development Cess ("AIDC"). Annex A identifies the products subject to these import duties/charges according to their respective HS codes, along with India's applied and bound tariff rates for each product.
5. The import duties/charges imposed under the First Schedule are imposed through the following instruments:
- (i) Section 12 of the Customs Act, 1962, which requires the collection of import duties/charges as specified in the Customs Tariff Act, 1975;
 - (ii) Section 2 of the Customs Tariff Act, 1975, which requires the rate of import duties/charges to be according to the First Schedule (as amended from time to time, including most recently by The Finance Act, 2026);
 - (iii) Notification No. 24/2005-Customs, dated 1 March 2005 (G.S.R. 122(E)), as amended by Notification No. 15/2022-Customs, dated 1 February 2022 (G.S.R. 89(E));
 - (iv) Notification No. 25/2005-Customs, dated 1 March 2005 (G.S.R. 123(E)), as amended by Notification No. 15/2022-Customs, dated 1 February 2022 (G.S.R. 89(E));
 - (v) Notification No. 57/2017-Customs dated 30 June 2017 (G.S.R. 798(E)), as amended by Notification No. 57/2021 dated 29 December 2021 (G.S.R. 906(E)), and Notification No. 34/2024-Customs dated 23 July 2024 (G.S.R. 437(E));
 - (vi) Notification No. 45/2025-Customs dated 24 October 2025 (G.S.R. 781(E)); and
 - (vii) Any notifications granting exemption from import duties/charges pursuant to Section 25 of the Customs Act, 1962, and to Section 3 of the Customs Tariff Act, 1975.
6. The AIDC is imposed through the following instruments:
- (i) Section 124 of the Finance Act, 2021;
 - (ii) Customs Notification No. 11/2021-Customs dated 1 February 2021 (G.S.R. 69(E));
 - (iii) Customs Notification No. 06/2025-Customs dated 1 February 2025 (G.S.R. 99(E)).
7. For certain products at issue in the dispute, India appears to maintain certain exemptions from, or a reduction of, the import duties/charges that would otherwise apply. For the sake of clarity, China has set out its understanding of these exemptions and reduced import duties/charges, in Annex A.

8. With respect to the measures identified, this Request also covers, in any form, any amendments, supplements, extensions, replacements, renewals, implementing measures, or any other related measures.

B. Solar Module Programme

9. India adopted the Solar Module Programme on 7 April 2021 to increase domestic manufacturing capacity of high efficiency solar photovoltaic ("PV") modules and, thereby, reduce India's import dependence.⁴ This Programme was authorised by India's Union Cabinet, and communicated via a letter from the Grid Solar Power Division, Ministry of New and Renewable Energy, dated 30 September 2022, including an Annexure that provides details of the Programme.⁵
10. This Programme incentivises the establishment in India of giga-watt scale manufacturing facilities for solar modules through the provision of cash grants by India. The Programme is being implemented in two parts – "Tranche I", with a budgetary outlay of ₹4,500 crore, and "Tranche II", with a budgetary outlay of ₹19,500 crore. Tranche II prioritises fully integrated manufacturing units for solar PV modules.⁶
11. The incentives provided under the Solar Module Programme are conditioned on several criteria, including a prescribed minimum local value addition ("LVA") requirement.
12. The Programme describes three levels of vertical integration of manufacturing for a solar PV module manufacturing facility, each with different minimum LVA conditions for receiving incentives. A beneficiary firm can choose its level of integration and, hence, the minimum LVA conditions it must meet.
 - (i) The first level of integration: firms that manufacture in India the widest range of solar module inputs (i.e., polysilicon, ingots-wafers and solar cells), along with solar modules themselves;
 - (ii) The second level of integration: firms that manufacture in India a narrower range of solar module inputs (i.e., ingots-wafers and solar cells, excluding polysilicon), along with solar modules themselves;
 - (iii) The third level of integration: firms that manufacture in India the narrowest range of solar module inputs (i.e., that only manufacture solar cells), along with solar modules themselves.
13. Beneficiary firms are selected through a bidding process, in which an applicant firm must commit to setting up a manufacturing facility in India that meets certain minimum production capacity levels. Potential beneficiaries must declare the level of integration that they will

⁴ Ministry of New and Renewable Energy, *Production Linked Incentive (PLI) Scheme: National Programme on High Efficiency Solar PV Modules*, available at <https://mnre.gov.in/en/production-linked-incentive-pli/> (last accessed 28 April 2026).

⁵ Ministry of New and Renewable Energy, Grid Solar Power Division, *Production Linked Incentive Scheme (Tranche II) under 'National Programme on High Efficiency Solar PV Modules*, F. No. 283/62/2020-GRID SOLAR (30 September 2022), available at <https://cdnbbsr.s3waas.gov.in/s3716e1b8c6cd17b771da77391355749f3/uploads/2023/08/2023080863.pdf> (last accessed 28 April 2026).

⁶ Ministry of New and Renewable Energy, Grid Solar Power Division, *Production Linked Incentive Scheme (Tranche II) under 'National Programme on High Efficiency Solar PV Modules*, F. No. 283/62/2020-GRID SOLAR (30 September 2022), available at <https://cdnbbsr.s3waas.gov.in/s3716e1b8c6cd17b771da77391355749f3/uploads/2023/08/2023080863.pdf> (last accessed 28 April 2026).

achieve in their facilities (per above); the percentage of LVA they plan to achieve; and the performance parameters of the manufactured solar PV modules. Once selected, beneficiary firms are provided a grant for up to five years from when the manufacturing facility is commissioned, and the grant amount declines year-on-year over this five-year period. The grant amount is determined based on the level of integration, the level of LVA achieved, and yearly sales of solar PV modules (measured in terms of the aggregate electric output of sold modules).

14. To receive the grants, the beneficiary must satisfy two minimum criteria:
 - (i) The modules manufactured by the beneficiary firm must meet the prescribed minimum performance criteria;
 - (ii) The modules must meet the prescribed minimum LVA threshold.
15. The minimum LVA requirement ranges from 50% to 90%, depending on the beneficiary's level of integration (higher integration requires a higher LVA) (per above). The minimum LVA requirement increases every year during the 5-year granting period; and the amount of the grant increases with an increase in the firm's achieved LVA.
16. In the Programme, a beneficiary's achieved LVA is calculated as a percentage in which:
 - (i) The numerator of the fraction is: the sale value of the module (excluding domestic indirect taxes) less the value of imported materials and services used to manufacture the module, and
 - (ii) The denominator is: the sale value of the module.
17. The Programme is authorized and/or reflected in:
 - (i) Ministry of New and Renewable Energy, *Production Linked Incentive (PLI) Scheme: National Programme on High Efficiency Solar PV Modules*.⁷
 - (ii) Ministry of New and Renewable Energy, *Production Linked Incentive Scheme (Tranche II) under 'National Programme on High Efficiency Solar PV Modules', F. No. 283/62/2020-GRID SOLAR (30 September 2022)*.⁸
18. With respect to the measures identified, this Request also covers, in any form, any amendments, supplements, extensions, replacements, renewals, implementing measures, or any other related measures.

III. Legal Basis of the Complaint

19. The tariff measures described in Section II.A of this Request appear to be inconsistent with India's obligations under the GATT 1994. In particular, India's measures appear to contravene Article II:1 (a) and (b) of the GATT 1994, because, through these measures, India accords to certain technology products originating in China treatment less favourable than that provided in its Schedule and does not exempt these products from ordinary

⁷ Available at <https://mnre.gov.in/en/production-linked-incentive-pli/> (last accessed 28 April 2026)

⁸ Available at <https://cdnbbsr.s3waas.gov.in/s3716e1b8c6cd17b771da77391355749f3/uploads/2023/08/2023080863.pdf> (last accessed 28 April 2026).

customs duties and/or other duties or charges in excess of those set forth and provided in its Schedule.

20. The Solar Module Programme described in Section II.B of this Request appears to be inconsistent with India's obligations under the GATT 1994, the TRIMS Agreement and the SCM Agreement. In particular, the Programme appears to contravene:
- (i) Article III:4 of the GATT 1994, as the Programme is a law, regulation or requirement that, through its LVA requirements, accords less favourable treatment to imported goods than to like domestic goods;
 - (ii) Article 2.1 of the TRIMS Agreement, as the Programme is a trade-related investment measure that violates the national treatment obligation in Article III:4 of the GATT 1994 by according less favourable treatment to imported goods than to like domestic goods; and
 - (iii) Articles 3.1(b) and 3.2 of the SCM Agreement, as the Programme constitutes a subsidy within the meaning of Article 1.1 of that Agreement, and, through its LVA requirements, is contingent on the use of domestic over imported goods.
21. In addition, and as a consequence of the foregoing, the measures at issue in Section II appear to nullify or impair benefits accruing to China, directly or indirectly, under the cited agreements.
22. China therefore requests the Dispute Settlement Body to establish a panel to examine this matter with standard terms of reference, as set out in Article 7.1 of the DSU, pursuant to Articles 4.7 and 6 of the DSU, Article XXIII of the GATT 1994, Articles 4.4 and 30 of the SCM Agreement, and Article 8 of the TRIMS Agreement.
23. China also asks that this request be placed on the agenda of the next meeting of the Dispute Settlement Body, currently scheduled to be held on 22 May 2026.
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Annex A – List of products

Duties in India's Schedule of Concessions				India's applied duties			
#	HS2007	Description	Tariff binding	HS2022	Description	Import duties/charges imposed under the First Schedule	Agriculture Infrastructure and Development Cess (AIDC)
1.	8486 10 00	- Machines and apparatus for the manufacture of boules or wafers	0	8486 10 00	Machines and apparatus for the manufacture of boules or wafers	7.5% Per Notification No. 45/2025-Customs, dated 24 October 2025, certain products under the heading 8486 that match certain specific descriptions are exempted until 31 March 2029. The tariff continues to apply to the remainder of the products under this tariff item.	-
2.	8486 20 00	- Machines and apparatus for the manufacture of semiconductor devices or of electronic integrated circuits	0	8486 20 00	- Machines and apparatus for the manufacture of semiconductor devices or of electronic integrated circuits	7.5% Per Notification No. 45/2025-Customs, dated 24 October 2025, certain products under the heading 8486 that match certain specific descriptions, as well as products under tariff item 8486 20 00 bearing description "[a]pparatus for the projection or drawing of circuit patterns on sensitised semiconductor materials", are exempted until 31 March 2029. The tariff continues to apply to the remainder of the products under this tariff item.	-

3.	8486 30 00	- Machines and apparatus for the manufacture of flat panel displays	0	8486 30 00	- Machines and apparatus for the manufacture of flat panel displays	7.5% Per Notification No. 45/2025-Customs, dated 24 October 2025, certain products under the heading 8486 that match certain specific descriptions are exempted until 31 March 2029. The tariff continues to apply to the remainder of the products under this tariff item.	-
4.	8486 40 00	- Machines and apparatus specified in Note 9 (C) to this Chapter	0	8486 40 00	- Machines and apparatus specified in Note * 11(c) to this Chapter	7.5% Per Notification No. 45/2025-Customs, dated 24 October 2025, certain products under the heading 8486 that match certain specific descriptions, as well as products under tariff item 8486 40 00 bearing description "[f]ocused ion beam milling machines to produce or repair masks and reticles for patterns on semiconductor devices", are exempted until 31 March 2029. The tariff continues to apply to the remainder of the products under this tariff item.	-
5.	8486 90 00	- Parts and accessories	0	8486 90 00	- Parts and accessories	7.5% Per Notification No. 45/2025-Customs, dated 24 October 2025, certain products under the heading 8486 that match certain specific descriptions, as well as products under tariff item 8486 90 00 bearing description "[p]arts and accessories of the apparatus of heading Nos. 901041 to 901049", are exempted until 31 March 2029. The tariff continues to apply to the remainder of the products under this tariff item.	-

6.	8517 12 00	- - Telephones for cellular networks or for other wireless networks	0	8517 13 00	Smartphones	20% Per Notification No. 57/2017-Customs dated 30 June 2017 as amended by Notification No. 34/2024-Customs dated 23 July 2024, products bearing description "Cellular mobile phone" under tariff items 8517 13 00 or 8517 14 00, have an import duty/charge of 15%. The tariff continues to apply to the remainder of the products under this tariff item.	-
7.	8517 18 00	- - Other	0	8517 14 00	Other telephones for cellular networks or for other wireless networks	20% Per Notification No. 57/2017-Customs dated 30 June 2017 as amended by Notification No. 34/2024-Customs dated 23 July 2024, products bearing description "Cellular mobile phone" under tariff items 8517 13 00 or 8517 14 00, have an import duty/charge of 15%. The tariff continues to apply to the remainder of the products under this tariff item.	-
8.	8531 90 00	- Parts	0	8531 90 00	Parts	10% Per Notification No. 25/2005-Customs, dated 1 March 2005 (as amended), "parts of indicator panels incorporating liquid crystal devices (LCD) or light emitting diodes (LED)" under this tariff item are exempted. The tariff continues to apply to the remainder of the products under this tariff item.	-

9.	8541 40 00	- Photosensitive semiconductor devices, including photovoltaic cells whether or not assembled in modules or made up into panels; light emitting diodes	0	8541 42 00	Photovoltaic cells not assembled in modules or made up into panels	20% Exempted when goods satisfy the conditions below: "all goods for use solely and exclusively" with certain specific tariff items in s. no. 1-38 of Notification No. 24/2005-Customs dated 1 March 2005, as amended thereafter including by Notification 15/2022-Customs dated 1 February 2022. "all goods for use solely and exclusively" with certain specific tariff items in s. no. 1-32 of Notification No. 25/2005- Customs dated 1 March 2005, as amended thereafter including by Notification 15/2022- Customs dated 1 February 2022.	7.5% Exempted when goods also satisfy the exemption under Notification No. 24/2005-Customs dated 1 March 2005, as amended thereafter including by Notification 15/2022-Customs dated 1 February 2022.
10.				8541 43 00	Photovoltaic cells assembled in modules or made up into panels	20% Exempted when goods satisfy the conditions below: "all goods for use solely and exclusively" with certain specific tariff items in s. no. 1-38 of Notification No. 24/2005-Customs dated 1 March 2005, as amended thereafter including by Notification 15/2022-Customs dated 1 February 2022. "all goods for use solely and exclusively" with certain specific tariff items in s. no. 1-32 of Notification No. 25/2005- Customs dated 1 March 2005, as amended thereafter including by Notification 15/2022- Customs dated 1 February 2022.	20% Exempted when goods also satisfy the exemption under Notification No. 24/2005-Customs dated 1 March 2005, as amended thereafter including by Notification 15/2022-Customs dated 1 February 2022.

11.	8541 50 00	- Other semiconductor devices	0	8541 49 00	Other	20% Exempted when goods satisfy the condition below: "all goods other than Photovoltaic cells whether or not assembled in modules or made up into panels", under Notification No. 24/2005-Customs dated 1 March 2005, as amended thereafter including by Notification 15/2022-Customs dated 1 February 2022.	20% Exempted when goods also satisfy the exemption under Notification No. 24/2005-Customs dated 1 March 2005, as amended thereafter including by Notification 15/2022-Customs dated 1 February 2022.
12.	9031 90 00	- - Parts and accessories of optical instruments and appliances for inspecting semiconductor wafers or devices or for inspecting masks, photomasks or reticles used in manufacturing semiconductor devices	0	9031 90 00	Parts and accessories	7.5% Per Notification No. 45/2025-Customs, dated 24 October 2025, goods bearing the following descriptions are exempted from tariffs until 31 March 2029: (1) "[p]arts and accessories of optical instruments and appliances for inspecting semiconductor wafers or devices or for inspecting masks, photomasks or reticles used in manufacturing semiconductor devices"; and (2) "[p]arts and accessories of optical instruments and appliances for measuring surface particulate contamination on semiconductor wafers". The tariff continues to apply to the remainder of the products under this tariff item.	-