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Government of India
Ministry of Commerce & Industries
Directorate General of Trade Remedies
4th Floor, Jeevan Tara Building, 5, Parliament Street, New Delhi – 110001

Initiation Notification (New Shipper Review)

Case No. CVD-NSR-01/2020

Dated 20th April, 2020

Subject: - Initiation of New Shipper Review investigation for determination of individual countervailing/ anti-subsidy duty rate for M/s. Shandong Haohua Tire Co., Ltd., China PR (Producer) in the case of Anti-Subsidy duties imposed on New/Unused pneumatic radial tyres with or without tubes and/or flap of rubber (including tubeless tyres), having nominal rim dia code above 16" used in buses and lorries/trucks, originating in or exported from China PR.

1. M/s. Shandong Haohua Tire Co., Ltd., China PR (hereinafter also referred to as "Applicant" or "producer"), along with Guangzhou Exceed Industrial Technology Co. Ltd., China PR ("Exceed") and H K Trade Wind Trading Limited, Hong Kong ("Trade Wind"), (all three entities hereinafter also referred to as New Shipper Applicants) have filed an application in accordance with Article 19.3 of WTO Agreement on Subsidies and Countervailing Measures (hereinafter also referred to as "ASCM"), 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 also referred to as the 'Rules') and the Custom Tariff Act, 1975 as amended from time to time (hereinafter referred to as the 'Act') before the Designated Authority (hereinafter also referred to as the "Authority") requesting for determination of their individual countervailing/ anti-subsidy duty rates in the matter of anti-subsidy duties levied on subsidized imports of "New/Unused pneumatic radial tyres, with or without tubes and/or flap of rubber (including tubeless tyres), having nominal rim dia code above 16-inches used in buses and lorries/ trucks", originating in or exported from China PR. The said duties were recommended vide Final Findings Notification No. F. No. 6/8/2018 DGAD dated 25th March 2019 and levied by the Central Government vide Customs Notification No. 1/2019-Customs (CVD) dated 24th June 2019.

A. Producer/Exporter involved

2. The present investigation involves M/s. Shandong Haohua Tire Co., Ltd., China PR as Producer and Guangzhou Exceed Industrial Technology Co. Ltd., China PR and H K Trade Wind Trading Limited, Hong Kong as traders.

B. Initiation of Review

- 3. Rule 24 of the Rules enables the Authority to undertake a review of countervailing duty in force. Article 19.3 of the ASCM requires the Authority to carry out an expedited review in order to establish an individual anti-subsidy (countervailing) duty rate for that exporter who was not actually investigated for reasons other than a refusal to cooperate.
- 4. The New Shipper Applicants have provided the necessary information in their application. They have provided certifications to the effect that they have neither exported the subject goods to India during the period of investigation of the original investigations (i.e., October 2016 to September 2017) nor they are related to any of the exporters and producers in the exporting country who are subjected to the definitive countervailing duty
- 5. On the basis of a duly substantiated application filed by the New Shipper Applicants and the *prima facie* evidence available, the Authority hereby initiates a New Shipper Review investigation in terms of Rule 24 of the Rules, read with Article 19.3 of the ASCM, for determination of individual countervailing/ anti-subsidy duty rate in relation to the anti-subsidy duties levied on subsidized imports of New/Unused pneumatic radial tyres, with or without tubes and/or flap of rubber (including tubeless tyres), having nominal rim dia code above 16-inches used in buses and lorries/ trucks", originating in or exported from China PR vide Customs Notification No. 1/2019-Customs (CVD) dated 24th June 2019 pursuant to the recommendations made by the Authority vide Final Findings Notification No. F. No. 6/8/2018 DGAD dated 25th March 2019.
- 6. The Authority recommends provisional assessment on all exports of the subject goods produced by M/s Shandong Haohua Tire Co., Ltd., China PR and exported through its traders/ exporters namely, Guangzhou Exceed Industrial Technology Co. Ltd., China PR ("Exceed") and H K Trade Wind Trading Limited, Hong Kong till the completion of this review.

C. Period of Investigation

7. The period of investigation for the purpose of the present New Shipper Review investigation is 1st October 2019 to 30th September 2020 (12 months).

D. Submission of information

- 8. The known interested parties (domestic industry, importers, users etc.) are being informed separately to enable them to submit relevant information in the form and manner prescribed within the time limit set out below.
- 9. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within the time limit set out below.
- 10. The information/ submission may be submitted to:

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

E. Time limit

11. All information relating to this review should be sent in writing so as to reach the Authority at the above address not later than thirty days from the date of completion of the 'Period of Investigation' i.e. by 30th October, 2020. 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 before the Authority in accordance with Rule 7(8) of the Rules.

F. Submission of information on confidential basis

- 12. Any party making any confidential submission or providing information on confidential basis before the Authority, is required to simultaneously submit a non-confidential version of the same in terms of Rule 8(2) of the Rules and the Trade Notices issued in this regard. Failure to adhere to the above may lead to rejection of the response/sessions.
- 13. The parties making any submission (including Appendices/Annexures attached thereto), before the Authority including questionnaire response, are required to file the same in two separate sets, in case "confidentiality" is claimed on any part thereof:
 - i. one set marked as Confidential (with title, number of pages, index, etc.), and
 - ii. the other set marked as Non-Confidential (with title, number of pages, index, etc.).

- 14. 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 four (4) sets of each.
- 15. 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 information which are 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.
- 16. 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, the 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.
- 17. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied 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.
- 18. Any submission made without a meaningful non-confidential version thereof or without good cause statement on the confidentiality claim shall not be taken on record by the Authority.
- 19. 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.

G. Inspection of Public File

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

H. Non-cooperation

21. In case any interested party refuses access to and otherwise does not provide necessary information within a reasonable period, 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.

(Bhupinder S. Bhalla)

Additional Secretary & Designated Authority