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**Government of India
Department of Commerce
Ministry of Commerce & Industry
(Directorate General of Anti-Dumping & Allied Duties)
4th Floor, Jeevan Tara Building, 5 Parliament Street, New Delhi -110001**

Dated the 28th December, 2015

INITIATION NOTIFICATION

Subject: Anti-dumping investigation concerning imports of 'Axe for Trailers' originating in or exported from China PR

No.14/17/2015-DGAD: M/s Yorkshire Transport Equipment (India) Pvt. Ltd. on behalf of domestic industry (hereinafter referred to as the applicant) has filed an application before the Designated Authority (hereinafter also referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter also referred to as the Act) and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped articles and for Determination of injury) Rules, 1995 as amended from time to time (hereinafter also referred to as the Rules) for initiation of anti-dumping investigation and imposition of anti dumping duty concerning imports of Axe for Trailers (hereinafter also referred to as the subject goods), originating in or exported from China PR (hereinafter also referred to as the subject countries).

2. And whereas, the Authority prima facie finds that sufficient evidence of dumping of the subject goods, originating in or exported from the subject countries, 'injury' to the domestic industry and causal link between the alleged dumping and 'injury' exist to justify initiation of an anti-dumping investigation; the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of Rule 5 of the Rules, to determine the existence, degree and effect of alleged dumping and to recommend the amount of antidumping duty, which if levied, would be adequate to remove the 'injury' to the domestic industry.

Domestic Industry & Standing

3. The Application has been filed by M/s Yorkshire Transport Equipment (India) Pvt. Ltd. on behalf of domestic industry.

4. As per the claims of the applicant M/s Yorkshire Transport Equipment (India) Pvt. Ltd. is the largest Indian manufacturer of the subject goods. As per the evidence available on record, the production of the applicant companies constitutes "a major proportion" of the domestic production. The Authority, therefore, determines that the applicant companies constitute eligible domestic industry within the meaning of Rule 2 (b) of the Anti Dumping

Rules and the application satisfies the criteria of standing in terms of Rule 5 (3) of the Rules supra.

Product under consideration

5. The product under consideration in the present application is 'Axe for Trailers' originating in or exported from China PR. An 'Axe for Trailer' is essentially an assemblage of a beam/bar and other components such as brake drum, brake shoes, bearings etc which connects two wheels of a Trailer and renders the functions as axle for the Trailer.

The subject goods are manufactured and sold in different variants. However, the basic product characteristics and end use of all these variants remains the same and all such types of Trailer Axles is covered in the scope of the PUC since these variants constitute a homogenous PUC with comparable basic characteristics and similar functions/uses.

6. Product under consideration is a vehicle part and accessory, falling under Chapter 87 of the Customs Tariff Act, 1975 and further under custom sub-heading no. 87169010. Since the subheading is not a dedicated classification, the petitioner submitted that the customs classification is indicative only and in no way, binding upon the product scope.

However, Axles for vehicles other than the Trailers are excluded from the scope of PUC.

Like Article

7. The applicant has claimed that there is no known difference between the subject goods exported from subject countries and that produced by the domestic industry. As submitted by the applicants, the product under consideration produced by the domestic industry and imported from subject countries are comparable in terms of essential product characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. Consumers can use and are using the two interchangeably. The applicants have further claimed that two are technically and commercially substitutable and, hence, should be treated as 'like article' under the Rules. Therefore, for the purpose of the present investigation, the Authority treats the subject goods produced by the applicants in India as 'Like Article' to the subject goods being imported from the subject countries/territories.

Countries involved

8. The present investigation is in respect of alleged dumping of the product under consideration from China PR (referred to as the "subject country").

Normal Value

9. Applicants have claimed that China PR should be treated as a nonmarket economy and determined normal value in accordance with Para 7 and 8 of Annexure I of the Rules. The applicants have claimed normal value for China PR on the basis of cost of production in India, duly adjusted. In terms of Para 8 in Annexure 1 to the Rules it is presumed that the producers of the subject goods in China PR are operating under non market economy

conditions. In view of the above non-market economy presumption and subject to rebuttal of the same by the responding exporters from China PR, normal value of the subject goods in China PR has been estimated in terms of Para 7 of Annexure 1 to the Rules.

Export Price

10. Export price of the subject goods from the subject countries has been estimated by considering transaction-wise import data collected from secondary sources i.e. IBIS. Adjustments have been made on account of inland freight, port expenses, ocean freight, marine insurance, commission, credit cost and bank charges in the exporting country to arrive at ex-factory export price.

Dumping Margin

11. The normal value has been compared with the export price at ex-factory level. There is sufficient *prima facie* evidence that the normal value of the subject goods in the subject country are higher than the ex-factory export price, indicating, that the subject goods are being dumped into the Indian market by the exporters from the subject country. The dumping margins are estimated to be above *de minimis*.

Injury and Causal Link

12. Information furnished by the applicants has been considered for assessment of injury to the domestic industry. The applicants have furnished evidence regarding the injury having taken place as a result of the alleged dumping in the form of increased volume of dumped imports in absolute terms and in relation to production and consumption, price undercutting, price underselling and consequent significant adverse impact in terms of decline in production, sales, market share, inventories. There is sufficient *prima facie* evidence of the ‘injury’ being suffered by the domestic industry caused by dumped imports from subject country to justify initiation of an antidumping investigation.

Period of Investigation (POI)

13. The period of investigation for the present investigation is from 1st April, 2014 to 30th June 2015 (15 months). The injury investigation period will however cover the periods April 2011-March 2012, April 2012-March 2013, April 2013-March 2014 and the period of investigation.

Submission of information

14. The known exporters in the subject country, the Government of the subject countries through their embassy in India, the importers and users in India known to be concerned with the product are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the Authority at the following address:

The Designated Authority,
Directorate General of Anti-Dumping & Allied Duties,
Ministry of Commerce & Industry, Department of Commerce

4th Floor, Jeevan Tara Building, 5 Parliament Street,
New Delhi -110001.

15. 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.

Time limit

16. Any information relating to the present investigation and any request for hearing should be sent in writing so as to reach the Authority at the address mentioned above not later than forty days (40 Days) from the date of publication of this Notification. 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 Anti-dumping Rules.

17. 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 and offer their comments to the domestic industry's application regarding the need to continue or otherwise the antidumping measures within 40 days from the date of initiation of this investigation.

Submission of Information on Non-Confidential basis

18. In case confidentiality is claimed on any part of the questionnaire's response/submissions, the same must be submitted in two separate sets (a) marked as Confidential (with title, index, number of pages, etc.) and (b) other set marked as Non Confidential (with title, index, number of pages, etc.). All the information supplied must be clearly marked as either "confidential" or "non-confidential" at the top of each page.

19. Information supplied without any confidential marking shall be treated as non-confidential and the Authority shall be at liberty to allow the other interested parties to inspect any such non-confidential information. Two (2) copies of the confidential version and five (05) copies of the non confidential version along with soft copies of both the versions must be submitted by all the interested parties.

20. For information claimed as confidential; 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 and/or why summarization of such information is not possible.

21. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out /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, parties submitting the confidential information may indicate that such information is not susceptible

to summarization; a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.

22. 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 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.

23. Any submission made without a meaningful non-confidential version thereof or without a good cause statement on the confidentiality claim may not be taken on record by the Authority. 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

24. In terms of Rule 6(7) any interested party may inspect the public file containing non-confidential versions of the evidence submitted by other interested parties.

Non-cooperation

25. 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.

(A.K. Bhalla)
Designated Authority