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F. No. 7/02/2023-DGTR
Government of India
Ministry of Commerce & Industry
Department of Commerce
(Directorate General of Trade Remedies)
Jeevan Tara Building, Parliament Street, New Delhi -110001

Dated: 12.06.2023

FINAL FINDINGS

(Case no. AD (SSR)-01/2023)

Subject: Sunset review investigation of anti-dumping duty imposed on import of “Flat Base Steel Wheels” originating in or exported from China PR.

A. BACKGROUND OF THE CASE

1. **F. No. 7/1/2018-DGAD** – Having regard to the Customs Tariff Act, 1975 as amended in 1995 (hereinafter referred as the Act) and the 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 referred as the Rules), the Designated Authority (hereinafter referred to as the Authority) recommended imposition of anti-dumping duty in the previous investigations on imports of “flat base steel wheels of size 16” nominal diameter to 20” nominal diameter used in tubed tyre application in commercial vehicles” (hereinafter referred to as the subject goods), originating in or exported from China PR (hereinafter referred to as the subject country).
2. Whereas, the original investigation concerning imports of the subject goods from the subject country was initiated by the Authority vide Notification No. 14/8/2005-DGAD dated 31st May, 2006. The preliminary finding was issued by the Authority vide Notification No. 14/8/2005-DGAD dated 12th January, 2007 and the provisional antidumping duty was imposed by the Department of Revenue vide Customs Notification No. 51/2007 dated 29th March, 2007. The final findings recommending imposition of definitive duty was issued by the Authority vide notification No.14/8/2005-DGAD dated 28th November, 2007. On the basis of the recommendations made by the Authority in the final findings, definitive antidumping duty was imposed by the Ministry of Finance vide Notification No. 124/2007-Customs dated 31st December, 2007 on the imports of the subject goods, originating in or exported from the subject country.

3. Whereas, some of the interested parties had filed appeals before CESTAT against the final findings of the Authority. The Hon'ble CESTAT vide its order dated 11th August, 2011 remanded the matter back to the Designated Authority for affording post-decisional hearing to the appellants and for making such modifications to the final findings as may be necessary as a result of such post decisional hearing. Whereas, in compliance with the orders of the Hon'ble CESTAT and without prejudice to the rights of the Designated Authority to challenge the orders on the matters of law and principle, the Authority held a post decisional oral hearing for the known interested parties on 13th December 2011 and issued the post decisional findings vide Notification No.14/8/2005-DGAD dated 10th February, 2012, re-affirming its final findings made vide earlier Notification No.14/8/2005-DGAD dated 28th November 2007 and the recommendations made therein.
4. Whereas, the Authority initiated 1st sunset review investigation concerning imports of the "Flat Base Steel Wheels" from China PR vide Notification No. 15/22/2011-DGAD dated 24th February, 2012. Definitive anti-dumping duties were recommended vide Notification No. 15/22/2011-DGAD dated 20th February, 2013, wherein the duties recommended in the original investigation were enhanced and the unit of duties were modified from INR to USD. These duties were imposed by the Central Government vide Customs Notification No. 3/2013-CUS, dated 26th March, 2013.
5. Whereas, the Authority initiated the 2nd Sunset review investigation concerning imports of "Flat Base Steel Wheels" from China PR vide Notification No. 07/01/2018-DGAD, dated 8th February 2018. The Authority recommended continued imposition of duties vide its Notification No. 07/01/2018-DGAD, dated 09th August 2018. Duties were imposed by the Central Government vide Customs Notification No. 46/2018-Customs, dated 13th September 2018. The said duties were levied for a period of 5 years and are set to expire on 12th September 2023.
6. And whereas, a duly substantiated application has been filed by Wheels India Limited (Wheels India) and Steel Strips Wheels Limited (Steel Strips), (hereinafter referred to as applicants/petitioners), in accordance with the Act and the Rules, alleging likelihood of continuation or recurrence of dumping of the above goods, originating in or exported from China PR and consequent injury to the domestic industry and requesting for initiating sunset review investigation for continuation of antidumping duties in force on imports of flat base steel wheels originating in or exported from China PR.
7. The Authority, on the basis of *prima facie* evidence of likelihood of dumping and injury filed by the applicants, issued a public notice vide Notification No. 7/02/2023-DGTR dated 24th March 2023, published in the Gazette of India, Extraordinary, initiating the subject investigation¹ in accordance with Section 9A (5) of the Act read with Rule 23 of the Rules to

¹ The investigation team consisted of Mr. Rajbir Sharma, ADG(FT), Mr. G. S. Sahu, Advisor (Cost), Mr. Rajiv Kumar Soni, JD (FT), Mr. Manoj Kumar, DD (Cost)

review the need for continued imposition of the anti-dumping duties in force in respect of the subject goods, originating in or exported from the subject country and to examine whether the expiry of such duty is likely to lead to continuation or recurrence of dumping and injury to the domestic industry.

8. The scope of the present sunset review covers all aspects of the final finding No. 07/01/2018-DGAD, dated 09th August 2018, and Customs Notification No. 46/2018-Customs, dated 13th September 2018.

B. PROCEDURE

9. The procedure described below has been followed with regards to this investigation.
 - a. The Authority notified the Embassy of the subject country in India about the receipt of the anti-dumping application before proceeding to initiate the investigation in accordance with Rule 5(5) of the AD Rules.
 - b. The Authority issued a public notice dated 24th March 2023 published in the Gazette of India, Extraordinary, initiating sunset review investigation of anti-dumping duty concerning imports of the subject goods from the subject country.
 - c. The Authority sent a copy of the initiation notification to the Embassy of the subject country in India, the known producers and exporters from the subject country, the known importers/users, and the domestic industry as per the available information. The interested parties were advised to provide relevant information and to make their submissions known in writing within the prescribed time limit.
 - d. The Authority also provided a copy of the non-confidential version of the application to the known producers/exporters and to the Government of the subject country, through its Embassy in India, in accordance with Rule 6(3) of the AD Rules.
 - e. The Authority sent exporter's questionnaires to the following known producers/ exporters in the subject country in accordance with Rule 6(4) of the AD Rules: -
 - i. China Zenix Auto International Limited
 - ii. Fujian Zhengxing Wheel Co. Ltd.
 - iii. Hangzhou Forlong Impex Co., Ltd
 - iv. Jiaxing Henko Auto Spare Parts Co., Ltd.
 - v. Jining Junda Machinery Manufacturing Co. Ltd.
 - vi. Ningbo Luxiang Autoparts Manufacturing Co., Ltd
 - vii. Shandong Jining Wheel Factory
 - viii. Shandong Zhengshang Wheel Technology Co. Ltd.
 - ix. Shandong Zhengyu Wheel Group Co. Ltd.
 - x. Shangdong Sheng Tai, Wheel Co. Ltd

- xi. Shangdong Xingmin Wheel Co. Ltd.
 - xii. Shanghai Yata Industry Company Limited
 - xiii. Shengtai Group Shandong Detong Wheels Co.
 - xiv. Xiamen Sunrise Wheel
 - xv. Xiamen Topu Imports & Exports Co., Ltd
 - xvi. Xingmin Group
 - xvii. Yongkang Yuefei Wheel Co., Ltd
 - xviii. Zhejiang Jingu Company Limited
 - xix. Zhengxing Wheel Group Co., Ltd
 - xx. Zhenjiang R & D Auto Parts Co., Ltd
- f. The Embassy of the subject country in India was also requested to advise the exporters/producers from their country to respond to the questionnaires issued by the Authority within the prescribed time limit. A copy of the letter and questionnaire was also sent to the producers/exporters along with the names and addresses of the known producers/exporters from the subject country.
- g. None of the producers/exporters from the subject country have responded or filed exporter questionnaire responses in the present investigation.
- h. The Authority sent questionnaires to the following known importers/users of the subject goods in India calling for necessary information in accordance with Rule 6(4) of the Rules:
- i. Ashok Leyland Ltd.
 - ii. Asia Moto Works Ltd.
 - iii. Eicher Motor Ltd.
 - iv. King Kaveri Trading Company
 - v. Mahindra & Mahindra Ltd.
 - vi. Man, Force Truck (I) Ltd.
 - vii. Swaraj Mazda Ltd (Currently known as SML ISUZU)
 - viii. Tata Motors Ltd.
 - ix. VE Commercial Vehicles Ltd (Volvo Eicher Joint Venture Co.)
 - x. Volvo Trucks India (Volvo-Eicher Joint Venture Co.)
 - xi. York Transport Equipment (AISA) Pte Ltd.
 - xii. York Transport Equipment, Jharkhand
- i. None of the importers/users of the subject goods in India have responded or filed importer questionnaire response in the present investigation.
- j. The Authority made available the non-confidential version of the evidence presented by various interested parties for inspection by the other interested parties. However, no other interested party has participated in the present investigation.

- k. Directorate General of Commercial Intelligence and Statistics (DGCI&S) was requested to provide transaction-wise details of the imports of the subject goods for the injury investigation period and the period of investigation. The same has been received by the Authority and has been considered in this notification.
- l. Non-injurious price (hereinafter referred to as 'NIP') based on the cost of production and reasonable profits to sell the subject goods in India, based on the information furnished by the domestic industry and in accordance with the Generally Accepted Accounting Principles (GAAP) and Annexure III of the AD Rules. Such NIP has been considered to ascertain whether an anti-dumping duty lower than the dumping margin would be sufficient to remove injury to the domestic industry.
- m. The information/data furnished by the domestic industry has been verified to the extent deemed necessary and relied upon for the purpose of this final findings. Information was sought from the domestic industry and other interested parties to the extent deemed necessary. The Authority also conducted desk verification and physical verification at the premises of the domestic industry to the extent considered necessary for the purpose of the present investigation.
- n. The period of investigation for the purpose of the present review is 1st January 2022 to 31st December 2022 (12 months) (hereinafter referred to as the 'period of investigation' or 'POI'). The injury examination period has been considered as the period from 2019-20, 2020-21, 2021-22, and the period of investigation.
- o. The Authority held an oral hearing on 18th May 2023 to provide an opportunity to all the interested parties to present information orally in accordance with Rule 6(6) of the AD Rules. Only the domestic industry presented their views in the oral hearing and was requested to file written submissions of the views expressed orally, latest by 22nd May 2023 which was extended to 24th May 2023 by the Authority.
- p. A disclosure statement containing essential facts in the investigation which have formed the basis of the final findings was issued to the interested parties on 05th June 2023 and the interested parties were given time up to 09th June 2023 to comment on the same. The comments on the disclosure statement received from the interested parties have been considered, to the extent found relevant in the final findings.
- q. The information provided by the interested parties on confidential basis was examined with regards to the sufficiency of such confidential claims. On being satisfied, the Authority accepted the confidentiality claims, wherever warranted after due examination and such information has been considered confidential and not disclosed.

- r. Wherever an interested party has refused access to or has otherwise not provided necessary information during the course of the present investigation, or has significantly impeded the investigation, the Authority has considered such parties as non-cooperative and recorded its observation on the basis of the facts available.
- s. The Authority has considered all the arguments raised and information provided by domestic industry to the extent the same are supported with evidence and considered relevant to the present investigation.
- t. The exchange rate adopted by the Authority for the subject investigation is 1 USD = **Rs. 79.26**.
- u. “***” in this final findings represents information furnished by an interested party on confidential basis, and so considered by the Authority under the Rules.

C. PRODUCT UNDER CONSIDERATION (“PUC”) AND LIKE ARTICLE

- 10. The product under consideration is “flat base steel wheels” also known as ‘steel wheels’. It is used in tubed tyre applications in commercial vehicles and has a nominal diameter of 16” to 20”.

C.1 Submissions made by the other interested parties

- 11. None of the producers/exporters/importers/other interested parties has made any submissions in this regard.

C.2. Submissions made by the domestic industry

- 12. The domestic industry has made the following submission with regard to the scope of the product under consideration and like article:
 - a. Since the present investigation pertains to sunset review for the extension of anti-dumping duties, the product under consideration remains the same as it was defined by the Authority in the original investigation.
 - b. No significant developments have taken place over the period.
 - c. The product manufactured by the domestic industry continues to remain like article to the product imported from the subject country.
 - d. The subject goods is imported under Chapter 87, under sub heading 8708 7000 of the Customs Tariff Acct, 1975.

- e. Steel wheels are an assembly of rim and disc with a demountable ring used as a component with tyres to enable vehicle movement in commercial vehicles which comprise of buses, lorries including trucks, trailers, tempos, etc.

C.3 Examination by the Authority

- 13. The product under consideration defined in the original investigation is reproduced hereunder

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“11. The product under consideration is “flat base steel wheels of size 16” nominal diameter to 20” nominal diameter used in tubed tyre application in commercial vehicles” (the subject goods), originating in or exported from China PR.

12. Flat base steel wheels are assembly of rim and disc with a demountable ring. Rims and discs are produced in separate lines and welded together to form a wheel, which is mounted on the axles of vehicles and fitted with tyres to enable vehicle movement. Commercial vehicles comprise of buses, lorries including trucks, trailers, tempos, etc. Wheels are classified under Chapter 87 of the Customs Tariff Act under the category of “vehicles other than railway or tramway rolling stock, and parts and accessories thereof” under the sub-heading 8708.70 of the Customs Tariff Act and ITC HS classification. The customs classification is, however, indicative only and is in no way binding on the scope of the present investigation.”

- 14. The present investigation is a sunset review investigation. There is no submission made by any interested party requesting review of the scope of the product under consideration. The scope of the product under consideration remains the same as defined in the original investigation.
- 15. The Authority noted that the subject goods produced by the domestic industry are comparable to the imported goods from the subject country in terms of chemical characteristics, product specifications, technical specifications, manufacturing process and technology, functions and uses, pricing, distribution and marketing, and tariff classification of the goods. The two are technically and commercially interchangeable. Accordingly, the Authority concludes that the subject goods produced by the domestic industry are ‘like article’ to the subject goods being imported from the subject country in terms of Rule 2(d) of the Rules.

D. SCOPE OF DOMESTIC INDUSTRY & STANDING

D.1 Submissions made by the other interested parties

- 16. The other interested parties have not made any submissions with respect to the scope of the domestic industry or its standing.

D.2 Submissions made by the domestic industry

17. The domestic industry has made the following submissions with regards to the scope of the domestic industry and its standing:
 - a. The application has been filed by Wheels India Limited and Steel Strips Wheels Limited.
 - b. Kalyani Maxion Wheels Private Limited who is the only other producer of the subject goods in India other than the applicants also supported the application filed by the applicants.
 - c. Maxion had filed a letter before the Authority explaining the technical challenges it faced during the application stage pursuant to a virus attack due to which they were unable to submit their data. Subsequently, Maxion shared all the relevant costing and injury information with the Authority and requested for consideration of their data for the present investigation. Maxion has since shared all relevant information and data as per the requests from the Authority.
 - d. The applicant companies have neither imported the subject goods nor are they related to any exporter from the subject country or any importer in India.
 - e. The applicant companies have satisfied all the requirements laid down in Rule 5(3) and Rule 2(b) of the Rules.

D.3 Examination by the Authority

18. The present application has been filed by Wheels India Limited (Wheels India) and Steel Strips Wheels Limited (Steel Strips). Apart from the applicants, there is only one other producer in the country, namely, Kalyani Maxion Wheels Private Limited (Maxion) who supported the application at the stage of initiation and has subsequently filed all relevant costing and injury information after the initiation of sunset review investigation.
19. The production of the applicants i.e., Wheels India Limited and Steel Strips Wheels Limited constitutes ***% of the total domestic production in India. Since, the present review is an expiry review of the anti-dumping duty measures in force, and there are no imports from the subject country, the Authority is required to determine whether cessation of existing anti-dumping duty is likely to lead to injury to the domestic industry. The Authority has not considered Kalyani Maxion Wheels Private Limited as part of the domestic industry. However, information provided by Maxion has been, nevertheless, separately examined in order to ascertain whether their performance shows materially different position as compared to the applicant domestic industry.
20. The applicants are neither related to any exporter or producer of the subject goods in the subject country nor to any importer of the subject goods in India either directly or indirectly within the meaning of Rule 2(b) of the Rules.

21. In view of the above, the Authority, notes that the applicants constitute the ‘domestic industry’ as defined under Rule 2(b) of the Rules. Even though the standing requirements are not applicable to review investigations, the Authority, concludes that the application satisfies the requirements of Rule 5(3) of the Rules.

E. DETERMINATION OF NORMAL VALUE, EXPORT PRICE, AND DUMPING MARGIN

E.1. Submissions made by the other interested parties

22. The other interested parties have not made any submissions with respect to the normal value, export price and dumping margin.

E.2. Submissions made by the domestic industry

23. The following submissions have been made by the domestic industry with regards to normal value, export price, and dumping margin, during the course of the investigation:
- a. China PR should be treated as a non-market economy in accordance with Article 15(a)(i) of China's Accession Protocol and the normal value should be determined in terms of Annexure I, Rule 7 of the Rules. The Authority has considered China as a non-market economy in all recent investigations.
 - b. On 11th December 2016, only the provisions of Article 15(a)(ii) of China's Accession Protocol expired but that of Article 15(a)(i) continue to remain in force, which requires the producers/exporters from China PR to establish that they are operating under the market economy conditions.
 - c. China while joining the WTO in 2001, committed itself to not impose duties or taxes on exports, except for limited duties on some products mentioned in Annex 6 to China's WTO Accession protocol. Even after 2 decades, China is yet to comply with the Accession protocol to become a market economy.
 - d. In 2021, China increased export tariffs on high-purity pig iron, ferrochrome etc. to 20% to 40% respectively while maintaining the export duties since 2001. Major economies like US and EU were unsuccessful in the WTO for withdrawing the export tariffs imposed by China, while India never made any efforts on this matter. The following basic raw materials used to produce PUC are subjected to export duties by China due to which steel prices in China are much lower than the fair market value:
 - i. Non-alloy pig iron containing by weight >0.5% of phosphorus in pigs, blocks or other primary forms
 - ii. Alloy pig iron and spiegeleisen, in pigs, blocks or other primary forms
 - iii. Ferro-manganese
 - iv. Ferro-silicon
 - v. Ferro-silico-manganese
 - vi. Ferro-chromium
 - vii. Waste & scrap, of - cast iron, stainless steel, alloy steel, tinned iron or steel

- viii. Ferrous waste & scrap of iron or steel
- ix. Remelting scrap ingots of iron or steel
- e. China's export restraints on key raw materials provides significant competitive advantages to the Chinese manufacturers. Further, the prevailing steel prices in China compared to India based on leading trade journal² for December 2022 showed an average price difference of \$300/MT between price in China and price in international market.
- f. Several WTO members including India have not granted market economy treatment to China PR. Despite the deliberations on this account in 2015 and 2016, the DGTR has not conferred China PR with market economy status. This practice is now well established through various investigations over the years.
- g. The DGTR's practice of not considering China as a market economy was never challenged by the Chinese government before an Indian court. In fact, China PR had approached the WTO Settlement Body on the non-market economy treatment against other countries, but not against India. However, China withdrew its request eventually.
- h. None of the producers/exporters from China PR have participated in this review investigation. It is, therefore, requested that the Authority kindly apply adverse facts with respect to dumping margin and likelihood determination.
- i. The constructed normal value should be determined based on the cost of production in India, duly adjusted to include selling, general and administrative costs of the domestic industry by adding reasonable profits.
- j. There are no known imports of the subject goods during the entire injury period and the product is not currently imported from the subject country. However, there is sufficient evidence that dumping is likely to recur in the event of cessation of duty.
- k. Due to absence of imports during the injury period, export price was determined by the domestic industry based on a) export price of the subject goods from China to Brazil, b) ex-factory export price for the subject goods in China to global markets, and c) imports of comparable product to the subject goods from China to India.
- l. Dumping margin for current exports could not be determined due to the absence of imports during the POI. However, the comparison of normal value and export price calculated based on the methodology proposed above by the domestic industry, the dumping margin from China is likely to be not only above *de minimis*, but also significant and in the event of cessation of duties, the Chinese producers exporting to India.

E.3. Examination by the Authority

Normal Value

24. According to Section 9A (1)(c) of the Act, 'normal value' in relation to an article means:

² Annexure 5.1 – Evidence of low steel price in China compared to India, submitted along with application filed by DI

- (i) *the comparable price, in the ordinary course of trade, for the like article when meant for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6); or*
- (ii) *when there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either- comparable representative price of the like article when exported from the exporting country or territory or an appropriate third country as determined in accordance with the rules made under sub-section (6); or (b) the cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and general costs, and for profits, as determined in accordance with the rules made under sub-section (6):*

Provided that in the case of import of the article from a country other than the country of origin and where the article has been merely transhipped through the country of export or such article is not produced in the country of export or there is no comparable price in the country of export, the normal value shall be determined with reference to its price in the country of origin.

25. Article 15 of China's Accession Protocol in WTO provides as follows:

"Article VI of the GATT 1994, the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 ("Anti-Dumping Agreement") and the SCM Agreement shall apply in proceedings involving imports of Chinese origin into a WTO Member consistent with the following:

- "a) In determining price comparability under Article VI of the GATT 1994 and the Anti-Dumping Agreement, the importing WTO Member shall use either Chinese prices or costs for the industry under investigation or a methodology that is not based on a strict comparison with domestic prices or costs in China based on the following rules:*
 - i. If the producers under investigation can clearly show that market conditions prevail in the industry producing the like product with regard to the manufacture, production and sale of that product, the importing WTO Member shall use Chinese prices or costs for the industry under investigation in determining price comparability;*
 - ii. The importing WTO Member may use a methodology that is not based on a strict comparison with domestic prices or costs in China if the producers under investigation cannot clearly show that market economy conditions prevail in the industry producing the like product with regard to manufacture, production and sale of that product.*

- b) In proceedings under Parts II, III and V of the SCM Agreement, when addressing subsidies described in Articles 14(a), 14(b), 14(c) and 14(d), relevant provisions of the SCM Agreement shall apply; however, if there are special difficulties in that application, the importing WTO Member may then use methodologies for identifying and measuring the subsidy benefit which take into account the possibility that prevailing terms and conditions in China may not always be available as appropriate benchmarks. In applying such methodologies, where practicable, the importing WTO Member should adjust such prevailing terms and conditions before considering the use of terms and conditions prevailing outside China.*
- c) The importing WTO Member shall notify methodologies used in accordance with subparagraph (a) to the Committee on Anti-Dumping Practices and shall notify methodologies used in accordance with subparagraph (b) to the Committee on Subsidies and Countervailing Measures.*
- d) Once China has established, under the national law of the importing WTO Member, that it is a market economy, the provisions of subparagraph (a) shall be terminated provided that the importing Member's national law contains market economy criteria as of the date of accession. In any event, the provisions of subparagraph (a)(ii) shall expire 15 years after the date of accession. In addition, should China establish, pursuant to the national law of the importing WTO Member, that market economy conditions prevail in a particular industry or sector, the non-market economy provisions of subparagraph (a) shall no longer apply to that industry or sector."*

26. It is noted that while the provisions contained in Article 15(a)(ii) have expired on 11.12.2016. However, the provisions under Article 2.2.1.1 of the WTO read with obligation under 15 (a) (i) of the Accession protocol require the criterion stipulated in para 8 of Annexure I of India's AD Rules to be satisfied through the information/data to be provided in the supplementary questionnaire for claiming the market economy status.
27. The applicants have pointed out that China PR has been maintaining export tariffs on basic raw materials required for making steel for decades and is yet to comply with the provisions of China's WTO Accession protocol. Chinese government has also been maintaining export tariffs on key raw materials used for the manufacture of the PUC and increased the export tariffs in 2021 for items like high-purity pig iron, ferrochrome, among others to 20% and 40% respectively.³
28. The Authority notes from the submission of the domestic industry that the price of steel in China, which is a major raw material to produce the PUC is lower than fair market prices and domestic producers in China are having significant advantages due to the availability of cheap

³ <https://www.scmp.com/economy/china-economy/article/3143021/china-raises-steel-export-tariffs-again-bid-boost-carbon>

raw materials. The high export tariffs have made it inaccessible for the third countries including India to procure the raw material from China.

29. None of the exporter/ producers in China or consumers in India participated in the investigation. Thus, in view of the above position and in the absence of rebuttal of non-market economy presumption by any Chinese exporting company, the Authority, proposes to consider it appropriate to treat China PR as a non-market economy country in the present investigation and proposes to proceed with para 7 of Annexure-I to the Rules for determination of normal value in case of China PR.
30. Kalyani Maxion Wheels Private Limited has its related parties producing subject goods in Turkey and Brazil. The applicants have made available price prevailing in market economy third countries, i.e., Brazil and Turkey in the form of an email communication from the company in these countries. The Authority notes that the evidence provided by domestic industry at present is skeletal evidence of prices in these countries and the evidence did not pertain to the entirety of POI and it was found not to be present for the sales made during the entirety of the investigation period. The Authority requires information based on sales made for the entire investigation period, therefore normal value could not be constructed based on the prices prevailing in market economy third country. Further, the applicants could not submit the relevant information regarding the cost of production in third countries, therefore the Authority could not construct the normal value based on the cost of production in third country. Further, since, the product under consideration does not have a dedicated code, the export price from such a third country to other countries including India could not be determined.
31. Therefore, the Authority has determined normal value for the subject imports in China as per the “price actually paid or payable in India” as stipulated in para 7 of Annexure – I to the AD Rules, 1995. It has been computed based on the cost of production of the domestic industry, with reasonable addition for selling, general and administrative expenses, and profits.

Export price

32. None of the exporters from China have provided any information giving details of export price. The DGCI&S data shows no imports of the product under consideration from China PR. The Authority therefore concludes that there are no current imports into India and therefore has not determined export price on the basis of actual imports into India.

Dumping Margin

33. The Authority notes that there are no known imports of the product concerned from the subject country during the POI. Therefore, actual dumping margin in respect of POI exports has not

been determined. The Authority holds that there was no current dumping of the product under consideration in India in view of absence of current imports into India.

F. LIKELIHOOD OF CONTINUATION OF INJURY – EXAMINATION OF INJURY AND CAUSAL LINK

F.1 Submissions made by the other interested parties

34. No submissions have been made by other interested parties with regard to injury and causal link.

F.2 Submissions made by the domestic industry

35. The following submissions were made by the domestic industry with regard to injury and causal link:

- a. The demand or apparent consumption of the product concerned in India had declined from the base year to 2020 – 21 and increased thereafter till the POI. The demand decline in the base year and 2020 – 21 was due to the following reasons:
 - i. The axle load carrying capacity of the trucks was increased by the government by about 20% leading to a significant increase in the weight that can be hauled by a truck in one go. Consequently, the number of trucks on the road declined, affecting the demand for new trucks, as the product has demand only in new trucks.⁴
 - ii. The fuel emission norms were updated by the government to Bharat Stage IV in 2017 and subsequently shifted directly to Bharat Stage VI to keep up with the global standard for emission norms. Adhering to fuel emission norms requires significant re-designing of some critical components of the truck which demand both time and investment and the resultant vehicle were considerably costlier too. This led to a decline in demand of the PUC.⁵
 - iii. The increased use of rail transportation as opposed to road transport because of economics has further resulted in decline in demand for trucks & buses.
 - iv. The global repercussions of Covid-19 pandemic also affected the demand of commercial vehicles in 2020-21.
- b. Imports from China increased after the first imposition of anti-dumping, as the Chinese producers absorbed the anti-dumping. This resulted in increased dumping margin and injury margin, and consequently the anti-dumping was increased at the time of sunset review. With the increase in anti-dumping following first sunset review, Chinese imports declined. Presently there are no imports from China during the injury period. Absence of imports from China is due to the existing anti-dumping duties.

⁴ Annexure 5.2 – Evidence of change in emission and change in axle load of trucks, submitted along with application filed by DI

⁵ *ibid*

- c. There is no price undercutting and price suppression/depression due to the absence of imports from China.
- d. Analysis of the following clearly indicate that Chinese producers are exporting at dumped and injurious prices in third countries and are likely to export to India at dumped and injurious prices in the event of cessation of anti-dumping duties: -
 - i. Export price to Brazil from China⁶
 - ii. Ex-factory export price for subject goods in China to global markets⁷
 - iii. Imports of comparable product to the subject goods from China to India⁸
- e. Capacity with the domestic industry remained constant. Production, sales, and capacity utilization of the domestic industry declined from the base year to 2020 – 21 and increased thereafter. Capacity utilization is not at optimum levels and is currently even operating below the level of utilization of the year 2018 due to the comparatively lower demand to the extent of capacities.
- f. The imports from China declined after the enhancement of duties in the 1st review investigation and subject imports are currently nil. Market share of China has hence declined after previous modification to the duties. Consequently, the domestic industry was able to increase its market share and their position improved with the improvement in demand for the subject goods.
- g. Profits, Cash profits, and ROI of the domestic industry were negative during the base year and increased steadily thereafter till 2021-22 and declined in the POI pursuant to the fluctuations in the cost of production due to increase in steel prices during the POI.
- h. The domestic industry is affected by the constraints to increase the selling price of the subject goods due to the agreed prices with the Original Equipment Manufacturers (OEMs) which are usually for a certain period/cycle. The cycle period is usually for ***-***months between which price increases cannot be made.
- i. The payments for the sales made to the OEMs usually take ***-*** days to be credited. Further, the credit period for the OEMs commences only after the subject goods reaches the OEM's factory or warehouse which causes further delay in payments.
- j. Inventories with the domestic industries declined from the base year to 2021-22 but increased significantly during the POI. The rise in inventories during the POI can be attributed to the average inventory holding period of the domestic industry which ranges between ***-*** days.
- k. The number of employees increased from the base year to 2021-22 with a slight decline in the POI. Productivity per employee increased throughout the injury period with an increase in production.
- l. The wages paid are according to the laws prevailing in the country and it increased from the base year to the POI, except during 2020-21 which had a decline due to the repercussions of Covid-19 pandemic. The employees are usually given a salary increment

⁶ Annexure 6.1 of Written submission filed by DI

⁷ Annexure 6.3 of Written submission filed by DI

⁸ Annexure 5 of application filed by DI

of ***% yearly and with the increase in production, salaries to the contractual employees also increased leading to an overall increase in the wages paid.

- m. Growth of the domestic industry in both volume and price parameters was negative in 2020 – 21, increased in 2021 – 22, and declined in the POI. Growth of price parameters in the POI is negative. Although there is an improvement in the performance of the domestic industry, it is vulnerable to de-growth should the present duties be lifted.

F.3 Examination by the Authority

36. The Authority has taken note of the submission and evidence presented by the domestic industry with respect to injury to the domestic industry. The injury analysis by the Authority hereunder considers various submissions made by the domestic industry.
37. According to Section 9(A)(5) of the Customs Tariff Act, anti-dumping duty imposed shall, unless revoked earlier, cease to have effect on the expiry of five years from the date of such imposition, provided that if the Central Government, in a review, is of the opinion that the cessation of such duty is likely to lead to continuation or recurrence of dumping and injury, it may, from time to time, extend the period of such imposition for a further period of five years and such further period shall commence from the date of order of such extension.
38. The Authority notes that this being a sunset review of anti-dumping duty already in force, continuation of material injury to the domestic industry, as well as likelihood of continuation or recurrence of material injury needs to be examined in the context of actual or likely imports of the subject goods from the subject country. In the instant case, the Authority notes that there are no known imports of the product under consideration in India. Therefore, in any case, the domestic industry could not have suffered continued injury due to dumped imports nor the domestic industry claimed that it has suffered continued injury.
39. Nevertheless, the Authority examined the performance of the domestic industry over the present injury period, as it is pertinent to evaluate the performance of the domestic industry even when imports were absent in order to evaluate the likely situation of the domestic industry in the event of cessation of anti-dumping duty.
40. In consideration of submissions received in this regard, the Authority has first examined the current injury, if any, to the domestic industry before examining the likelihood aspects of dumping and injury on account of imports from the subject country.

F.3.1 Assessment of Demand

41. The Authority has defined, for the purpose of the present investigation, demand, or apparent consumption of the subject goods in India as the sum of domestic sales of the Indian producers and imports from all sources. The demand for the product under consideration is given below:

Particulars	Unit	2019-20	2020-21	2021-22	POI
Sales of Domestic industry	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>90</i>	<i>146</i>	<i>192</i>
Sales of Supporters	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>79</i>	<i>73</i>	<i>116</i>
Subject imports	MT	-	-	-	-
<i>Trend</i>	<i>Indexed</i>	-	-	-	-
Other Countries imports	MT	-	-	-	-
<i>Trend</i>	<i>Indexed</i>	-	-	-	-
Total Demand	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>89</i>	<i>135</i>	<i>181</i>
Market share of domestic industry	%	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>102</i>	<i>108</i>	<i>106</i>
Market share of Supporters	%	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	<i>100</i>	<i>89</i>	<i>54</i>	<i>64</i>
Market share of Subject imports	%	-	-	-	-
<i>Trend</i>	<i>Indexed</i>	-	-	-	-
Market share of other countries imports	%	-	-	-	-
<i>Trend</i>	<i>Indexed</i>	-	-	-	-

42. It is seen that the demand of the PUC declined from base year to 2020-21 and increased thereafter till the POI. According to the submissions made by the domestic industry, it is noted that the change in demand especially during the first two years of the injury period were due to factors which were beyond their control which included some policy changes and other macro-economic factors like the increased use of rail transportation compared to road transport and Covid-19 pandemic.

F.3.2 Volume Effect of Dumped Imports

Import volume and share of the subject country

43. The effect of the volume of the dumped imports from the subject country as well as imports from other countries have been examined. It is seen that there were no imports of the subject goods from the subject country during the present injury period. Imports started to decline since the anti-dumping duties were enhanced in the 1st Sunset review investigation and

currently there are no imports from the subject country in the entire injury period. Further, there are no imports from any other countries also into the Indian market.

44. The Authority notes that, as there are no imports from the subject country, there is no injury to the domestic industry due to dumped imports.

F.3.3 Price Effect of the Dumped Imports

45. With regard to the effect of dumped imports on prices, it is required to be analyzed whether there has been a significant price undercutting by the dumped imports when compared with the price of the like product in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increase, which otherwise would have occurred in the normal course.

a. Price Undercutting

46. It is noted that there were no imports from China PR during the present injury period. Therefore, the domestic industry did not suffer price undercutting from imports during the present injury period.
47. The domestic industry submitted that the industry did not face any undercutting of its prices by imports, because of absence of imports in this period. However, should the present duty cease, the domestic industry is likely to face significant price undercutting. This is clearly established by the price at which Chinese producers have exported wheels. The domestic industry has provided evidence of export price in the following forms:
- a. Export price of steel wheels used for tubeless tyre application from China to Brazil
 - b. Prevailing price of wheel for both tubeless and tube-type tyres as evidenced by an email communication from a Chinese producer – the Authority has however considered price of only the product under consideration
 - c. CIF import prices of ‘wheel rims A17 18x8J, matt black with red and blue lines/chrome revits’ – tubeless wheels meant for commercial vehicles, a product having similarity with the PUC in terms of cost and price structures for the POI.
48. Considering the prices based on the above-mentioned forms, it is seen that if the Chinese producers were to sell at these prices in Indian market, the domestic industry will suffer significant price undercutting, as is evident from the table below.

Particulars	Unit	Export Price to Brazil	China's export price to world	Imports of comparable product into India
Likely landed value in India	INR/MT	77,422	79,595	97,661

Selling price	INR/MT	***	***	***
Price Undercutting	INR/MT	***	***	***
Price Undercutting	%	***	***	***
Price Undercutting	% Index	25 – 45	25 – 45	15 – 35

b. Price Suppression/ Depression

49. In order to determine whether the domestic industry is suffering suppressing or depressing effect on its prices, the Authority has considered the trends in costs and prices of the domestic industry. The table below shows factual position with regards to the trends in the costs and prices of the domestic industry in the market.

Particulars	Unit	2019-20	2020-21	2021-22	POI
Cost of Sales	Rs. /MT	***	***	***	***
Trend	Indexed	100	97	118	126
Selling Price	Rs. /MT	***	***	***	***
Trend	Indexed	100	102	132	136

50. It is seen that selling price and cost of sales both have moved in the same direction from 2020-21 onwards. However, the degree of change was different in respect of costs and prices. On overall basis, it is seen that whereas both cost of sales and selling price increased, the domestic industry was only able to sell the subject goods in profits only during the last two years of the injury period. In the POI, the selling price is only marginally above the cost of sales.

51. The domestic industry clarified that in the absence of dumped imports, the domestic industry was able to align its prices with input steel, however, there is always a time lag between increase in costs and passing it onto the customers. Further, since there was a steep decline in the demand for the product, the production declined steeply, leading to increase in the incidence of the overhead costs. This could not be passed onto the customers in terms of higher prices, as the OEMs are not expected to support higher overhead costs due to decline in production.

52. Since there are no known imports of the product under consideration from the subject country, the subject imports could not have had any suppressing or depressing effects on the prices of the domestic industry in the market over the current injury period. The domestic industry submitted, that the foreign producers are likely to sell the product at a price materially lower than the price of the domestic industry in the event of cessation of duties, and if that happens, the domestic industry will suffer severe price depression, leading to material injury to the domestic industry.

F.3.4 Economic Parameters of the Domestic Industry

53. Annexure II to the Rules requires that the determination of injury shall involve an objective examination of the consequent impact of these imports on domestic producers of such products. The Rules further provide for an objective evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments. Accordingly, various economic parameters of the domestic industry are discussed herein below.

a. Capacity, Production, Capacity Utilization and Domestic Sales

54. The capacity, production, capacity utilization and domestic sales of the domestic industry over the entire injury period is given below:

Particulars	Unit	2019-20	2020-21	2021-22	POI
Capacity Per annum	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	100	100	100
Production	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	91	161	194
Production-PUC	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	92	149	198
Capacity Utilization	%	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	91	161	194
Domestic Sales	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	90	146	192

55. It is seen that:

- a. the capacities installed by the domestic industry has remained constant over the injury period.
- b. production and capacity utilization of the domestic industry declined from the base year to 2020 – 21 and increased thereafter.
- c. Sales of the domestic industry also declined from the base year to 2020 – 21. Production, sales, and capacity utilisation increased significantly in the POI.
- d. The installed capacities in India are significantly more than the demand. The domestic industry claimed that they had increased their capacities before the injury period as per projections drawn by the OEMs. However, the actual demand in this period did not increase to the extent of projections earlier drawn by the automobile industry because of increase in axle load carrying capacity of trucks, change in fuel emission norms, Covid-19 pandemic, and increased usage of rail transportation compared to road transport.

b. Market Share in demand

56. The market share of the subject imports and the domestic industry over the entire injury period was as follows. It is recalled that there were no imports of the product over entire injury period.

Particulars	Unit	2019-20	2020-21	2021-22	POI
Domestic Industry	%	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	102	108	106
Supporters	%	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	89	54	64
Total	%	100.00	100.00	100.00	100.00

57. It is seen that the Indian industry is holding entire share in the demand for the product in the country.

58. The Authority notes that market share of the domestic industry had declined significantly in the POI of the original investigations when dumping of the product started in the country. Further, due to absorption of duties, the market share of Chinese imports increased further by the time of first sunset review. However, with the increase in the quantum of duty, imports declined steeply and have now ceased completely in the present injury period.

c. Profitability, cash profits and return on investment.

59. Information with respect to profitability, return on investment and cash profits was as follows:

Particulars	Unit	2019-20	2020-21	2021-22	POI
Cost of sales	₹/MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	97	118	126
Selling price	₹/MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	102	132	136
Profit per unit	₹/MT	(***)	(***)	***	***
<i>Trend</i>	<i>Indexed</i>	(100)	(41)	67	6
Total Profit/(Loss)	Rs. Lacs	(***)	(***)	***	***
<i>Trend</i>	<i>Indexed</i>	(100)	(37)	97	11
Cash Profit	Rs. Lacs	(***)	***	***	***
<i>Trend</i>	<i>Indexed</i>	(100)	124	606	302
Profit before Interest and tax	Rs. Lacs	(***)	***	***	***
<i>Trend</i>	<i>Indexed</i>	(100)	109	718	445

Return on Capital Employed	%	(***)	***	***	***
<i>Trend</i>	<i>Range</i>	<i>(100)</i>	<i>123</i>	<i>770</i>	<i>433</i>

60. It is seen that:

- a. The domestic industry suffered financial losses during 2019 – 2020 and 2020 - 2021, due to some reasons beyond their control like the changes in policies and other macro-economic factors like Covid-19 pandemic. The domestic industry earned profit in 2021-22, however, it once again suffered financial losses in the present POI.
- b. The cash profits and return on capital employed have followed the same trend as that of profits. The domestic industry suffered cash losses during Apr., 2019 – March, 2021, earned cash profits thereafter. However, cash profits declined in the POI.
- c. The domestic industry earned negative return on capital employed in 2019-20. Even though the domestic industry had positive return thereafter, the ROI improved in 2020-21 and declined thereafter in the POI.

61. It is seen that the domestic industry is already facing issues with declining profitability, cash profit, and ROCE in the POI and upon cessation of duties the domestic industry is likely to report further cash losses and negative ROCE.

62. Since the domestic industry did not have good performance in respect of these price parameters, despite absence of imports, reasons for these were examined in detail. It is noted that demand for the subject goods declined during April 2019 – March 2021. The Authority had earlier conducted expiry review wherein the investigation period was October, 2016 to September, 2017 and injury period was from 2014-15. It is seen that the demand for the product during that period was *** MT (2014-15) and *** MT (annualised for the POI). As against the same, the demand for the product during April 2019-March, 2021 was *** MT (2019-20) and *** MT (2020-21).

63. Thus, there was steep decline in demand for the product in the country during the first two years of the present injury period. It was thus natural that the domestic industry was not able to recover its full costs and suffered financial losses. However, as soon as demand for the product improved in 2021-22, the domestic industry was able to post some profits. The domestic industry once again suffered decline in profits and some losses in the present POI as the domestic industry was not able to increase its prices in proportion to the increase in cost of sales.

d. Inventories

64. Information with respect to inventories over the injury period is as follows:

Particulars	Unit	2019-20	2020-21	2021-22	POI
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Opening	MT	***	***	***	***
Closing	MT	***	***	***	***
Average Inventory	MT	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	97	69	87

65. It is seen that the average inventory of the applicants has declined from the base year to 2021 – 22 and increased significantly during the POI.

e. Productivity, employment and wages

66. Information with respect to productivity, employment and wages over the injury period is as under:

Particulars	Unit	2019-20	2020-21	2021-22	POI
No. of Employees	Nos.	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	109	118	116
Salary & Wages	Rs. Lacs	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	82	122	162
Productivity per day	MT/Day	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	92	149	198
Productivity per employee	MT/ nos.	***	***	***	***
<i>Trend</i>	<i>Indexed</i>	100	84	126	170

67. Employment level has increased. Salary and wages paid have also increased over the injury period except during 2020 – 21 due to Covid-19 pandemic. Productivity per employee has also followed the same trend as that of salary and wages.

f. Ability to raise capital investment

68. It is seen that the ROCE earned on investment made improved from base year to 2021-22 but declined significantly in the POI.

g. Magnitude of dumping margin

69. There are no imports thus actual dumping margin could not be determined. However, the potential dumping margin is too significant.

h. Growth

70. While overall growth of the domestic industry was positive till 2021-22, the growth became negative in the POI.

Particulars	Unit	2020-21	2021-22	POI
Production	Y/Y	(8)	63	32
Domestic Sales	Y/Y	(10)	62	32
Profit/ (Loss) per unit	Y/Y	59	262	(91)
Capacity Utilisation	Y/Y	(3)	23	11
Average Inventory	Y/Y	(3)	(29)	26
Market share of Domestic Industry	Y/Y	2	6	(2)
Profit/Loss (Rs Lacs)	Y/Y	63	361	(89)
Cash Profit	Y/Y	224	388	(50)
PBIT	Y/Y	209	557	(38)
Return on Capital Employed	Y/Y	4%	10%	-5%

Magnitude of injury margin

71. The Authority has determined the non-injurious price (NIP) for the domestic industry on the basis of principles laid down in Anti-Dumping Rules read with Annexure III, as amended. The NIP of the PUC has been determined by adopting the information/data relating to the cost of production provided by the domestic industry for the period of investigation. The NIP has been considered for comparing the landed price from the subject country for calculating injury margin. For determining the non-injurious price, the best utilisation of the raw materials of the domestic industry over the injury period has been considered. The same treatment has been carried out with the utilities. The best utilisation of production capacity over the injury period has been considered. It is ensured that no extraordinary or non-recurring expenses were charged to the cost of production. A reasonable return (pre-tax @ 22%) on average capital employed (i.e., average net fixed assets plus average working capital) for the PUC was allowed as pre-tax profit to arrive at the non-injurious price as prescribed in Annexure III of the Rules and being followed. The NIP so determined has been considered for calculating injury margin.
72. Since there are no imports of the subject goods from the subject country, the injury margin based on the exports during the period of investigation has not been calculated. However, the Authority has relied upon calculated NIP for likelihood examination.

G. CAUSAL LINK AND OTHER FACTORS (NON-ATTRIBUTION ANALYSIS)

73. As per Annexure II of the AD Rules, factors which are relevant in this respect include, *inter alia*, volume and prices of imports not sold at dumped prices, contraction in demand or changes in the patterns of consumption, trade restrictive practises and competition between the foreign and domestic producers, developments in the technology and the export

performance and productivity of the domestic industry. The Authority examines whether the factors other than dumped imports could be a cause of injury to the domestic industry.

a. Volume and prices of imports from third countries.

74. It is seen that there are no imports from other countries. Thus, volume and price of imports from third countries could not have been causing injury to the domestic industry.

b. Contraction in demand

75. It is seen that demand declined during 2019-20 and 2020-21. However, the demand increased thereafter in 2021-22 and the POI.

c. Changes in pattern of consumption

76. The domestic industry submitted that there is change in pattern of consumption globally as steel wheels used for tubeless wheels application are being preferred over tubed steel wheels. However, the consumption pattern in India has not changed as materially. The demand of the subject goods has increased. It is seen that the demand for the product in the present POI is higher than the demand for the product in the previous POI.

d. Conditions of competition and trade restrictive practises

77. The Authority notes that the investigation has not shown any change in the conditions of competition or any trade restrictive practises.

e. Export performance of the domestic industry

78. The Authority notes that there have not been any exports of the subject goods during the entire injury period. The applicants are focussed on the domestic market. Thus, export performance cannot be attributed to the performance of the domestic industry.

f. Performance of other products

79. The domestic industry has provided the injury data for the product under consideration and the same has been adopted by the Authority for the purpose of injury analysis. Performance of other products produced and sold by the applicants have not been considered.
80. As noted above, the Authority, proposes to hold that the applicants have not suffered any injury due to the subject imports.

H. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF DUMPING AND INJURY

H.1 Submissions made by other interested parties

81. No submission has been made by the exporters/other interested parties with regards to likelihood of continuation or recurrence of injury and dumping.

H.2 Submissions made by the domestic industry

82. The following submission were made by the domestic industry with regards to likelihood of continuation or recurrence of injury and dumping:

- a. The likely export price from China to India is material below the selling price, cost of production and non-injurious price of the domestic industry. This is established by several evidences with regard to likely export price from China.

Particulars	UOM	Export Price to Brazil	China's FOB export price	Imports of comparable product into India
Dumping Margin Calculation				
Normal Value	INR/MT	***	***	***
Net Export Price	INR/MT	***	***	***
Dumping margin	INR/MT	***	***	***
Dumping margin	%	***	***	***
Dumping margin	% Index	80 – 100	80 – 100	40 – 60
Injury Margin Calculation				
Non-Injurious Price	INR/MT	***	***	***
Landed Price	INR/MT	***	***	***
Injury Margin	INR/MT	***	***	***
Injury Margin	%	***	***	***
Injury Margin	% Index	45 – 65	45 – 65	15 – 35
Price Undercutting Calculation				
Net Sales Realization	INR/MT	***	***	***
Landed Price	INR/MT	***	***	***
Price undercutting	INR/MT	***	***	***
Price undercutting	%	***	***	***
Price undercutting	% Index	30 – 50	30 – 50	15 – 35

- b. Should the domestic industry match the likely import price from China, the domestic industry would face bleeding financial losses, huge cash losses and hugely negative return on capital employed.

SN	Particulars	UOM	Actual	Likely situation		
				Export Price to Brazil	China's FOB export price	Imports of comparable product into India

1	Cost of Sales of DI	Rs/MT	***	***	***	***
2	Selling Price	Rs/MT	***	***	***	***
3	Profit/Loss per Unit	Rs/MT	***	***	***	***
4	Domestic Sales	MT	***	***	***	***
5	Profit/(Loss)	Rs Lacs	***	***	***	***
6	Depreciation	Rs Lacs	***	***	***	***
7	Cash Loss	Rs Lacs	***	***	***	***
8	Interest	Rs Lacs	***	***	***	***
9	PBIT	Rs Lacs	***	***	***	***
10	Capital Employed	Rs Lacs	***	***	***	***
11	Return on capital employed	%	***	***	***	***

- c. The cessation of duty shall cause significant price injury in view of the fact that the Chinese producers have potential to substitute Indian industry and cater to the entire demand for the product in the country. The known capacities of Chinese producers to produce the subject goods far exceeds the entire Chinese demand and is several times more than the Indian demand. Several Chinese producers increased their capacity compared to that of the previous investigation. These capacities are a threat to the Indian industry.
- d. China has a major focus on exports as is established by exports of the subject goods to various countries. On an average, Chinese producers export the subject goods to over 30 countries. Companies like Xiamen Sunrise wheel Group Co. Ltd claim that they export to more than 100 countries.
- e. The major exporting markets of China were the US and the EU and companies like Zhejiang Jingu Company Ltd., were exporting more than 93% of their total exports to the US. However, the recent trade remedial measures by the EU (ADD ranging 50.03% to 66.4%) and the US (CVD of 388.31%) have resulted in significant losses to the Chinese market. The business volume lost by China based on 2018 figures are almost *** % of the Indian demand.

SN	Particular	EU	USA
1	Product involved	Steel road wheels	Certain Steel Wheels 12 to 16.5 Inches in Diameter
2	Nature of measure	AD	CVD
3	Quantum of Measure	50.03% to 66.4%	388.31%
4	Volume of exports in respective periods	20,93,000 wheels	8,32,469 wheels
5	Year measure invoked	March 2020	July 2019
6	Number of Chinese producers involved	19 producers	4 producers

- f. Imports from China increased by the time of first sunset review, and despite imposition of anti-dumping duty. In addition, the significant decline after enhancement of duty shows that the present export behaviour of the Chinese producers in Indian market is because of anti-dumping duty in place. The current export behaviour to India is inappropriate to conclude on the likely behaviour of Chinese producers.

Period	UOM	Year 1	Year 2	Year 3	Year 4
Original investigation	MT	-	-	1,560	19,843
First sunset review	MT	28,403	25,727	30,492	35,333
Second sunset review	MT	152	313	108	170
Present investigation	MT	0	0	0	0

- g. Chinese producers are having a weak financial position. The annual reports of Chinese producers namely, Zenix Auto, Zhejiang Jingu Company, and Xingmin Zhitong (Group) Co., Ltd. evidently show their PBT margin is very low. In spite of very high sales turnover, the wheel industry in China is making losses in the domestic market.

SN	Particular	Unit	Sales value	PBT	PBIT	PBDIT
1	Zenix Auto	Rs./MT	17,69,478	(4,82,247)	(4,57,885)	(3,17,662)
2	Zhejiang Jingu Company	Rs./MT	27,28,027	79,530	1,72,351	2,06,714
3	Xingmin Zhitong (Group) Co. Ltd.	Rs./MT	14,18,484	(6,27,134)	(5,71,354)	(5,52,740)

- h. The low/negative margin that the Chinese producers gain in the domestic market makes the export market more lucrative where there is a healthy demand. This also provides more reasoning as to why Chinese producers are more export oriented.
- i. Zhejiang Jingu in its annual report stated that their export goods enjoy “tax exemption, credit and refund policy” where the tax refund rate is 13%. This shows why exports are a better option for Chinese producers.
- j. Chinese exporters are desperate to find prospective markets to export the subject goods due to trade remedial measures in EU and US. The dumping and injury margin determined by the EU authority and the subsidy margin determined by the US authority is very significant. Non-extension of duties can lead to routing of these exports into India leading to recurrence of dumping from the subject country.
- k. Chinese producers utilize several subsidies available to them to sell their product at cheaper prices as was identified by the US authority in its countervailing investigation. The subsidies reported by China to the WTO also show the existence of several subsidies. The possibility of other unreported subsidies in China which have been found countervailable by the US authority would inevitably result in dumping of the subject goods in the Indian market.

- l. The US authorities have determined countervailable subsidies in raw material alone to the extent of 44%. This alone addresses the submission of the domestic industry that steel is available in China at a price at least US\$ 300 per MT cheaper than India and international market. This issue is not limited to countervailable subsidies and establishes that prices of major inputs do not substantially reflect market values in China. The domestic industry refers to Para 7 of Annexure-I in this regard. Therefore, the issue cannot be ignored by attributing it to an issue of countervailable subsidies.
- m. The Global Steel Wheel market size is expected to grow from USD 7.06 billion in 2021 at a CAGR of 5.5% till 2028. China is highly likely to penetrate more into the market to make themselves more dominant in this sector. Expiry of existing duties would definitely be an opportunity for them to exploit.
- n. The Indian market is price sensitive. China has been historically exporting a major portion of their production to third countries. China reduced dumping of the subject goods into India after enhancement of duties. Lifting the duties in India would inevitably result in resumption of low-priced imports into India. This would lead to adverse impact on the prices of the PUC in the Indian market.
- o. The Authority, in the previous sunset review investigation, noted that dumped imports into India reduced drastically after enhancement of duties in the first SSR (para 66) , the exporter was unable to expand its operations further only due to the trade remedy action in place (para 67), the annual report of the exporter mentioned that the imposition of anti-dumping duty resulted in decline of exports and in the event of cessation of duties (para 67), Lower prices are offered for exports by Chinese producer (para 74) exporters would resume dumping. It was also noted by the Authority that China holds significant unutilized capacities and that the lower price of the subject goods in the international market which clearly indicated dumping by the exporter.

H.3 Examination by the Authority

83. As there is no known import of the product under consideration from China PR, the Authority has determined whether dumping is likely to recur in the event of cessation of anti-dumping duty, and if so, whether the same is likely to cause injury to the domestic industry. The applicants provided evidences of likelihood of recurrence of dumping in petition, supplemented the same during the investigation and submitted that the same is likely to cause injury to the domestic industry.
84. The submissions made and evidences placed on record has been examined by the Authority. The Authority has examined the likelihood of continuation or recurrence of injury considering the requirement laid down under Section 9A (5), Rule 23 and parameters relating to threat of material injury in terms of Annexure-II (vii) of the Rules and other relevant factors brought on record. The present investigation being a sunset review of anti-dumping duty currently imposed, and under the Rules, the Authority is required to determine whether continued

imposition of the anti-dumping duties is warranted in the event of cessation of anti-dumping duty.

85. There are no specific methodologies available to conduct such a likelihood analysis. However, clause (vii) of Annexure II to the Rules provides, *inter alia*, factors which are relevant for threat of injury and the same factors may be used for likelihood analysis in a sunset review as well. Further, these are non-exhaustive list of parameters relevant for the determination of likelihood:

- a. A significant rate of increase of dumped imports into India indicating the likelihood of substantially increased importation.
- b. Sufficient freely disposable, or an imminent, substantial increase in, capacity of the exporter indicating the likelihood of substantially increased dumped exports to Indian markets, considering the availability of other export markets to absorb any additional exports.
- c. Whether imports are entering at prices that will have a significant depressing or suppressing effect on domestic prices, and would likely increase demand for further imports; and
- d. Inventories of the article being investigated.

86. The Authority has examined various indicators relevant to the assessment of likelihood of injury to the domestic industry, having regard to the above listed parameters. Further, the Authority has also examined other relevant factors which could have a bearing on the likelihood of continuation or recurrence of dumping and consequent injury to the domestic industry.

A. Significant capacities with Chinese producers sufficient to capture the Indian market.

87. The Authority has examined the capacities of the Chinese producers producing the subject goods based on facts available. The information submitted by the domestic industry has been considered in view of non-cooperation by the Government of China and Chinese producers. Furthermore, the present known capacities have been compared with the capacities of the Chinese producers as recorded in the last conducted sunset review investigation in order to examine whether there has been an increase in the capacity with Chinese producers.

SN	Producers in China	Capacity in previous review	Current Capacity
1	Shandong Jining Wheel factory	1.5 Million	1.5 mil wheels ⁹

⁹ <https://jiningwheel.en.ecplaza.net/>

2	Shandong Shengtai Wheel Co. Ltd., Shandong	4 Million	4 Million ¹⁰
3	Xiamen Sunrise wheel Group Co. Ltd (11 subsidiary companies)	50,000 tons	50,000 tons ¹¹
4	Zhejiang Jingu Company Limited	17 Million	15 Million ¹²
5	Xingmin Intelligent Transportation Systems (Group) Co., Ltd. (Formerly Shangdong Xingmin Wheel Co. Ltd.)	6 Million	10 Million
6	Fujian Zhengxing Wheel Co. Ltd.	5.2 Million	15 Million ¹³
7	China Zenix Auto International Ltd.	15 Million	15.5 Million ¹⁴
8	Shengtai Group Shandong Detong Wheels Co.	1 Million	2 Million ¹⁵
9	Zhengxing Wheel Group Co. Ltd. (subsidiary of China Zenix Auto International Ltd.)		14 Million ¹⁶
10	Jiaxing Henko Auto Spare Parts Co., Ltd		1.5 Million ¹⁷
11	Hangzhou Forlong Impex Co., Ltd		2.5 Million ¹⁸
12	Jining Junda Machinery Manufacturing Co. Ltd.		0.74 Million ¹⁹
13	Shandong Zhengyu Wheel Group Co. Ltd.		1.2 Million ²⁰
14	Shandong Zhengshang Wheel Technology Co. Ltd		3 Million ²¹

88. It is seen that the Chinese producers hold huge capacities to produce the subject goods which is several times more than the entire Indian demand. The comparison of known capacities of the Chinese producers between the previous review investigation and current investigation show that most of the producers have increased their capacity.

B. High Export orientation of Chinese producers

89. The Authority examined the export orientation of Chinese producers. The Authority has considered the evidence placed by the domestic industry in the form of extracts from the websites of the Chinese producers which shows their export percentage and preferable export destinations.

¹⁰ <https://shengtaiwheel.en.made-in-china.com/>

¹¹ <http://en.sunrisewheel.com/about>

¹² <https://jgwheel.com/products#productCenter>

¹³ <http://www.zenixauto.com/jtjj/>

¹⁴ <https://zenixauto.investorroom.com/index.php?s=120&&item=109>

¹⁵ https://www.diytrade.com/china/manufacturer/935295/main/Shengtai_Group_Shandong_Detong_Wheels_Co_Ltd.html

¹⁶ <http://www.zenixauto.com/>

¹⁷ <http://www.henkowheel.com/ProductionLine.html>

¹⁸ <http://forlongwheel.com/about.php>

¹⁹ https://steelwheel.en.alibaba.com/company_profile.html?spm=a2700.shop_index.88.23

²⁰ <https://www.zhengyuwheelgroup.com/company-profile.html>

²¹ https://www.zhengshangwheel.com/page/219961_en.html

SN	Producers in China	No. of exporting locations	Major exporting destinations	Share of exports to destinations
1	Shandong Jining Wheel factory		US, Canada, Ecuador, Hong Kong, Taiwan ²²	United States (56.3%), Mexico (5.7%), Russia (4.8%) ²³
2	Xiamen Sunrise wheel Group Co. Ltd (11 subsidiary companies)	100+ countries	Europe, America, New Zealand, Australia, Southeast Asia, the Middle East and Africa ²⁴	Vietnam (8.3%), United States (6.7%), Colombia (5.5%) ²⁵
3	Zhejiang Jingu Company Limited		Europe, the United States, Southeast Asia ²⁶	United States (93.5%), Mexico (1.2%) ²⁷
4	Xingmin Intelligent Transportation Systems (Group) Co., Ltd. (Formerly Shangdong Xingmin Wheel Co. Ltd.)	40 countries	US, Canada, Columbia, Germany, Russia, South Korea, South Africa and Brazil ²⁸	United States (35.5%), Germany (29.4%), Netherlands (17.6%), ²⁹ Columbia ³⁰
5	Fujian Zhengxing Wheel Co. Ltd.	30+ countries	Japan, South Korea, India, and Southeast Asia, Europe, Africa ³¹	
6	China Zenix Auto International Ltd.	28+ countries	Thailand, Vietnam, Malaysia, Pakistan and Indonesia	
7	Shengtai Group Shandong Detong Wheels Co.	30+ countries	America, Canada, the Middle East, Southeast Asia, and Hong Kong. ³²	
8	Zhengxing Wheel Group Co. Ltd. (subsidiary of China	30+ countries	Japan, South korea, India, USA, Southeast Asia,	Vietnam (more than 60%) ³⁴

²² <https://www.made-in-china.com/showroom/eugene1234567>

²³ <https://panjiva.com/Shandong-Jining-Wheel-Factory/1249997>

²⁴ <http://en.sunrisewheel.com/about/gongsijianjie>

²⁵ <https://panjiva.com/Xiamen-Sunrise-Wheel-Group-Co-Ltd/3849531>

²⁶ <https://jgwheel.com/about>

²⁷ <https://panjiva.com/Zhejiang-Jingu-Co-Ltd/33425970>

²⁸ <http://www.xingmin.com/en/list-38-1.html>

²⁹ <https://panjiva.com/Shandong-Xingmin-Wheel-Co-Ltd/30382041>

³⁰ <https://panjiva.com/Xingmin-Intelligent-Transportation-Systems-Group-Co-Ltd/47584948>

³¹ <http://www.zenixauto.com/jtjj/>

³² https://www.diytrade.com/china/manufacture/935295/main/Shengtai_Group_Shandong_Detong_Wheels_Co_Ltd.html

³⁴ <https://panjiva.com/Zhengxing-Wheel-Group-Co-Ltd/42026182>

	Zenix Auto International Ltd.)		Europe, Africa, and Middle America. ³³	
9	Yongkang Yuefei Wheel Co., Ltd		North America and Europe ³⁵	United States (~100%) ³⁶
10	Jiaxing Henko Auto Spare Parts Co., Ltd		Canada, Russia, America, Mid-east, and Europe ³⁷	United States (more than 60%) ³⁸
11	Hangzhou Forlong Impex Co., Ltd		North America, South America, Eastern Europe, Southeast Asia, Africa, Oceania, Mid East, Eastern Asia, Western Europe ³⁹	
12	Jining Junda Machinery Manufacturing Co. Ltd.		North America, South America, Eastern Europe, Southeast Asia, Africa, Oceania, Mid East, Eastern Asia, Western Europe ⁴⁰	
13	Ningbo Luxiang Autoparts Manufacturing Co., Ltd	30+ countries	North America, Mid East, Oceania ⁴¹	
14	Shandong Zhengyu Wheel Group Co. Ltd.	30+ countries	Europe, America, Australia, Japan and South Korea, Southeast Asia, the Middle East, Africa ⁴²	
15	Shandong Zhengshang Wheel Technology Co. Ltd.		Europe and America, Japan, South Korea, Southeast Asia, the Middle East, Africa ⁴³	

90. It is seen from the table above that the Chinese producers are generally dependent on the exports of the subject goods. It is also noted that the major exporting locations of the Chinese producers are found to be the US and the EU. However, these two markets are currently

³³ <http://www.zenixauto.com/>

³⁵ <https://yuefeiwheel.en.made-in-china.com/company-Yongkang-Yuefei-Wheel-Co-Ltd-.html>

³⁶ <https://panjiva.com/Yongkang-Yuefei-Wheel-Co-Ltd/61560504>

³⁷ <http://www.henkowheel.com/about.html>

³⁸ <https://panjiva.com/Jiaxing-Henko-Auto-SpA-Re-Parts/37843322>

³⁹ <https://m.made-in-china.com/company-forlongwheel/info.html>

⁴⁰ <https://www.made-in-china.com/showroom/e5af8408055ba421>

⁴¹ https://luxiang.en.alibaba.com/company_profile.html

⁴² <https://www.zhengyuwheelgroup.com/company-profile.html>

⁴³ https://www.zhengshangwheel.com/page/219961_en.html

inaccessible to the Chinese exporters due to the existing trade remedial measures imposed against them.

C. Chinese producers lost significant business volumes due to trade remedial measures imposed by EU and US authorities

91. The Authority notes that US and Europe have invoked trade remedial measures against Chinese imports of steel wheels for trucks and buses. Details of the measures are given below.

Subject	Information			
<u>Country – European Union</u>				
Type of proceeding and details	Anti-dumping [AD652]			
Product:	Steel road wheels			
HSN/CN	8716909095, 8716909097, 8708709980, 8708701085, 8708709920, 8708701080			
Date of final determination:	03 March 2020 ⁴⁴			
Date of expiry:	05 March 2025			
Dumping and Injury margin	Company	Dumping Margin (%)	Injury margin (%)	Definitive anti-dumping duty (%)
	Xingmin Intelligent Transportation Systems Co. Ltd	69.4	50.3	50.3
	Tangshan Xingmin Wheels Co. Ltd.	69.4	50.3	50.3
	Xianning Xingmin Wheels Co. Ltd.	69.4	50.3	50.3
	Other Cooperating companies	69.4	50.3	50.3
	All other companies	80.1	66.4	66.4
<u>Country – United States</u>				
Type of proceeding and details	Countervailing investigation [C-570-091]			
Product:	Certain Steel Wheels 12 to 16.5 Inches in Diameter			
Date of final determination:	01 July 2019			
Subsidy Margin	Company			Subsidy rate (%)

⁴⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020R0353&from=EN>

	Xingmin Intelligent Transportation Systems Co. Ltd	386.45	
	Zhejiang Jingu Co. Ltd.	386.31	
	All Others	387.38	
Final determination in Admin review	05 November 2021		
Subsidy Margin in Admin review	Company	Subsidy rate (%)	
	Zhejiang Jingu Co. Ltd. and Shanghai Yata Industry	388.31	
	Xiamen Topu Imports & Export Co. Ltd.,	388.31	

92. In order to understand the impact of these trade measures imposed by the US and EU authorities, the Authority has examined the imports volumes reported in the final determinations by these authorities. The period of investigation for the EU anti-dumping investigation is 2018 while the US countervailing investigation has the POI as January to September 2018 (9 months) which was then annualized to arrive at the yearly figures for 2018. The information provided in these two findings had “numbers” as the measuring unit. The import volumes reported in numbers have been converted to weight by considering the average weight of 7.5-20” Steel Wheels, i.e., 44kg.

Volume of exports from China	UOM	2015	2016	2017	2018
European Union	Units	10,07,000	12,57,000	19,63,000	20,93,000
United States	Units	8,84,632	8,04,025	10,14,146	8,32,469
Total number of wheels	Units	18,91,632	20,61,025	29,77,146	29,25,469
Total volume of imports	MT	83,232	90,685	1,30,994	1,28,721
Demand in India in present POI	MT	1,76,043	1,76,043	1,76,043	1,76,043
China’s exports to EU & US in relation to Indian consumption in POI	%	***	***	***	***
China’s exports to EU & US in relation to Indian consumption in POI	% Index	45 – 65	45 – 65	70 – 90	70 – 90

**Weight of 7.5-20" wheel considered as average - 44kg*

***Source: US and EU’s trade remedial measures*

93. The Authority notes that business volumes lost by the Chinese producers’ consequent to the trade remedial measures imposed by EU and the US was 1,28,721 MT in 2018 which is roughly *** % of the Indian demand during the current POI period. While both these major export markets remain restricted for China due to the existing trade remedial measure in place, it is seen from the above examined points that the surplus capacity with China have increased further over the past years. The exporters are likely to divert this surplus to the Indian market which has positive and significant demand, in the event duties are not extended.

D. The existing anti-dumping duties reduced the dumped imports from China

94. The effectiveness of the existing anti-dumping duties can be drawn from the import trend from China post imposition of duties and the Authority has examined the import volumes and dumping from China post imposition of the original anti-dumping duties and subsequent review investigation. The domestic industry contended that the present export behaviour of Chinese producers is due to the duties in place which helped the domestic industry to utilize their capacity and increase their production and sales.
95. The Authority notes that there was an increase in imports despite initial imposition of anti-dumping duty in the original investigation and it was only after the enhancement of duties in the 1st sunset review investigation that Chinese imports started to show decline. The volume of subject imports from China increased with low duties and declined with increase in duties.

Period	Duty	Year	Import volumes
Original investigation*	Zhengxing: INR 14,710/MT All Others: INR 16,970/MT	2005	19,843*
First sunset review	Zhengxing: US\$ 512.64/MT All Others: US\$ 613/MT	2007-08	28,403 MT
		2008-09	25,727 MT
		2009-10	30,492 MT
		2010-11	53,000 MT
Second sunset review	All Exporters: US\$ 613/MT	2014-15	152 MT
		2015-16	314 MT
		2016-17	108 MT
		2017-18	170 MT

**Import volume as derived from final findings*

E. Numerous subsidies being provided by the Chinese government and export subsidies maintained on inputs leading to unfair low production costs

96. The domestic industry has brought on record the final determination of the US authorities, wherein the US authorities have concluded that the Chinese government has maintained significant export duty on raw materials which makes the raw material availability with the domestic manufacturers at a very low price. It has been further claimed there are various subsidies being provided to the producers and the US authority has recorded the same in its determination. China has also disclosed to the WTO regarding the programs maintained at the central and sub-central government level during the period from 2019 to 2020⁴⁵.

⁴⁵ [directdoc.aspx \(wto.org\)](https://directdoc.aspx (wto.org))

97. It is noted in this regard that the present investigation being an antidumping investigation, subsidisation provided by the Chinese government is not relevant for the purpose of calculation of dumping margin or quantification of measures. The Authority has considered China as non-market economy and then determined the normal value. It is, however, noted that huge subsidies being provided by the Chinese government and export duties on inputs gives an undue advantage to the Chinese producers to export at unreasonably low price. The fact that there are surplus capacities with the producers and their export markets are getting restrained, it is likely that these huge subsidies will enable the Chinese producers to enter the Indian domestic market at low price and capture the Indian demand.

F. Significant dumping and injury margins in Chinese producers' exports to third countries

98. The Authority notes that European Commission and the US authorities have imposed anti-dumping and anti-subsidy duties against China. This in itself shows that Chinese producers are engaged in unfair exports.

99. Further, the Authority has also considered the export price from China to Brazil based on the evidence provided by the domestic industry. The export price has then been compared with the normal value determined to calculate dumping margin and the landed price has been compared with NIP determined to determine injury margin.

Particulars	UOM	Dumping Margin	Injury Margin
Export Price to Brazil	%	***	***
Trend	% Index	80 – 100	45 – 65
China's FOB export price to world	%	***	***
Trend	% Index	80 – 100	45 – 65
Imports of comparable product into India	%	***	***
Trend	% Index	40 – 60	15 - 35

100. It is seen that the exports are being made by Chinese producers at significantly dumped and injurious prices.

G. Chinese domestic market for the subject goods is unremunerative while their export market earns better profits

101. The Authority examined the annual reports of a few Chinese producers which are mainly manufacturing Steel wheels, namely, Zenix Auto, Zhejiang Jingu Company and Xingmin Zhitong (Group) Co., Ltd. It is noted that these Chinese companies are suffering financial losses as can be seen from the table below.

Company	Zenix Auto		Zhejiang Jingu Company		Xingmin Zhitong (Group) Co., Ltd.	
Currency	RMB '000		RMB '000		RMB '000	
Revenue	17,69,478	%	27,28,027	%	14,18,484	%
Gross Margin	(68,105)	-4%	2,92,232	11%	45,558	3.2%
PBT**	(4,82,247)	-27%	79,530	3%	(6,27,134)	-44.2%
EBITDA	(3,28,487)	-19%	(27,215)	-1%	(5,92,537)	-41.8%
Export Sales as % of Total Sales	9%		21%		10%	

*Source: - Published annual reports of the three companies

**PBT includes other income

Need for extension of anti-dumping duties despite long duration

102. The applicants have made the following submissions to justify the need for extension of anti-dumping duty despite long duration of duties.

- a. The product under consideration is not a raw material or intermediate. It is a finished component, ready for fitment into automobile. This imposition of anti-dumping duty earlier in any way did not have any adverse effect on the manufacturers of commercial vehicles. In fact, the product under consideration is used only in production of truck & bus, as a component, where it forms about *** % of their cost.
- b. There is ample evidence that the domestic industry had not added anti-dumping duties to their prices. The extension of present anti-dumping duties shall not lead to an increase in the price of this component for an automobile maker.
- c. Government of China policies with regard to export taxes on critical basic raw materials/inputs involved in production of steel, despite long duration have led to continued low cost of production of steel in China. Steel is the principal raw material for production of the subject goods and forms about 60-70% of the cost of production.
- d. As per US government determination, Chinese producers are getting steel at 44% lower than international prices. Even if other factors of production prevalent in China leading to lower cost of production in that country are ignored, this factor alone is resulting in a cost advantage far higher than customs duties protection on the product in India. This 44% price difference in steel price alone shall easily allow Chinese producers to overcome the 15% customs duty in India and offer lower prices in Indian market to displace the domestic industry.

- e. Direct costs involved in production of this product constitutes about 80% of total cost. The 43% price advantage available to Chinese manufacturers on account of steel alone because of the export tax regime introduced by China before 2001 as intimated to WTO members while becoming its member and maintained since then, will allow Chinese producers to sell the product at a price materially below the direct cost of production in India. It will therefore be difficult for the Indian industry to recover even direct manufacturing cost involved in production of the product, should the Indian industry be forced to match the resultant Chinese prices.
- f. The applicants identify the ownership of Chinese manufacturer and have submitted that some of these are owned and controlled by state owned enterprises (SOEs). These SOEs dominate the pricing in China and are benefitted from various policies of government of China, including but not limited to 388% as found and established by US Department of Commerce in the matter of anti-subsidy investigation relating to wheels for tubeless tyres. The product under consideration and wheels for tubeless tyres are very comparable in terms of types of steel, manufacturing facilities, production process, costs and prices. While some producers have dedicated use manufacturing facilities, some were engaged earlier in production of tube type wheels (i.e., product under consideration) and have now converted those manufacturing facilities to also produce wheels for tubeless tyres also. These manufacturing facilities are therefore readily available for production of the product under consideration. The Authority notes that during the plant visit of the domestic industry, it was showed that the only difference in the production process between tube type and tubeless wheels is in construction of wheel and therefore is quite possible for any manufacturer to switch from one type of wheel to other type of wheel. It is noted in this regard that every OEM consumer has their own specifications for the steel wheel and the manufacturers have to produce wheels suiting the requirements of these OEMs. Since products are produced as per the specifications given by the consumers and against the confirmed orders received from consumers, it is evident that the producers can readily switch from tubeless to tube type and vice-a-versa.
- g. One of the domestic producers have submitted that their parent company hold manufacturing facilities both in China and India, and therefore the company has very good information, knowledge and experience about Chinese manufacturing, costing and pricing. The company submitted that the Chinese manufacturers indeed get steel at a price lower than international price and are able to produce these wheels at a cost below the direct cost in India.
- h. The domestic industry provided evidence showing that the price at which steel is available for consumption in China is different from the price at which steel is available in China for export out of China. The domestic industry further contended that apparently Chinese government maintains such policy of export tax regime which allows lower cost of production of steel in China, only to Chinese consumers and only for the purpose of production of downstream products. Thus, even when most often Chinese exporters are

exporting steel from China at a price lower than international, these prices are still higher than the price at which Chinese manufacturing are getting steel within China.

H.4 Conclusion on likelihood of injury

103. Examination of the parameters pertaining to likelihood of injury shows that the Chinese producers started reducing its exports to India once effect duties were imposed in the first sunset review investigation. It is also noted that the Chinese producers have significant capacities available with them and they have increased their capacities during the past years. Chinese exporters are highly export oriented and are involved as causing significant dumping and injury in third countries and the US and EU have already imposed trade remedial measures on China which were its major markets. China is exporting goods to third countries at dumped and injurious price. The Authority notes that Chinese producers are getting benefits due to the subsidies available to them which is making them sell their products at lower prices. The fact that Chinese producers are able to sell steel-based products at a low price is further established by numerous trade remedy actions against Chinese steel products. The domestic industry contended that there are about 480 antidumping or anti subsidy and about 42 safeguard investigations relating to various steel products, where China was one of the countries involved.
104. The domestic industry submitted that India is the third largest consumer of steel wheel and therefore a high focus market for the Chinese manufacturers. The Chinese manufacturers have remained absent in this period only because of the remedy of duty in place. Under these circumstances, should the Chinese producers offer a price lower than that of the domestic industry prices even by 5%, it will lead to the domestic industry selling below direct cost, and yet the Chinese-origin subject goods would still be cheaper by 30% as compared to the domestic subject goods. Further, given the lower price of steel, Chinese manufacturers would still be the able to earn reasonably good profits as compared to the Indian industry. This is without considering any other cost difference between the Indian industry and the Chinese industry. At the same time, as rightly pointed out by the domestic industry, there are other significant government policies in China which resulted in lower cost of production in China. Under these circumstances, it is evident that a price reduction of 5% by the Chinese producers over the Indian price is not only quite feasible, but also would almost be instant.
105. The Authority also noted that the Chinese producers were able to absorb a duty of 40-50% imposed after the original investigation. Even when these duties were imposed, considering the dumping margin and injury margin prevalent during that period, the first sunset review established that the dumping margin increased from 70%-80% to 80%-90% and the injury margin increased from 40-50% to 60%-70%. The volume of imports also increased from 19,843 MT to 35,333 MT.

106. This further establishes that the 15% customs duties can easily be absorbed by the Chinese producers, and they can still become more competitive as compared to Indian industry.
107. The Authority also notes that the profitability of the domestic industry as such is quite low and therefore any further price negotiations by the domestic industry shall force the domestic industry to significant financial losses. In fact, if the domestic industry reduce its prices by 5%, the domestic industry shall be forced to sell the product below their direct cost. Under these circumstances, it appears quite difficult for the domestic industry to match the Chinese prices.
108. The Authority notes that the fixation of selling price in this product is very different from a typical chemical, petrochemical, steel or any other commodity product. Firstly, every consumer (OEMs) has its own specification for the goods, and therefore, goods are produced and sold against orders received from the customers. Secondly, purchase-sale between buyers and sellers is also very unique, unlike commodity products. The orders are placed by the consumers after hectic price negotiations with the producers. These prices negotiations evolve around high volume of potential order size, and therefore focuses on cost of production of the producers. The domestic industry contended that the consumers have quite significant and precise knowledge about prevailing price of steel, manufacturing costs of wheel producers, production efficiencies, wastages, etc. The consumers deploy professional services to get precise information on these factors of production thus leading to very good information with them about the cost of production of wheel manufacturers. In fact, most often consumers demand cost information from wheel producers and the same are evaluated by professionals being employed by consumers. It is, thus, noted that there is very significant transparency between the producers and the consumers with regard to the cost of production and pricing. Under these circumstances, the high volume of individual orders is a major factor for any producer and consumer. Producers obviously tend to adopt a die-hard approach in ensuring that orders are not lost.
109. It is noted in this regard that about ***% of India's consumption is controlled by two major OEMs, i.e., *** and *** ; and they are collectively buying about *** wheels per annum (which includes the present type and other types of wheels). During the present injury period, these consumers bought a cumulative volume of *** wheels from the Indian industry comprising of three producers. The sales to *** and *** on weight basis is provide in the table below. It is, therefore, quite evident that the price negotiations are very hard and focused extremely on the costing of the product. Under these circumstances, potential cost difference between the Indian product and the Chinese product would certainly become a major focus for price negotiations.

Company Name	UOM	2019-20	2020-21	2021-22	POI
***	MT	***	***	***	***
***	MT	***	***	***	***

Total	MT	***	***	***	***
Demand	MT	***	***	***	***
% of Indian demand	%	80%	73%	76%	77%

110. The fact that Chinese producers shall resume dumping of the product is well established by the following evidence of the price at which the Chinese manufacturers are selling steel wheels in various markets.
- a. Export price from China to Brazil
 - b. Ex-factory export price by the subject country to global market
 - c. Import prices of products having similarity with PUC for the POI
111. The Authority notes that even when these do not relate either to the product under consideration or for exports to India, since the present investigation is a sunset review investigation and the Authority is required to ascertain likelihood of dumping and injury, this evidence constitute sufficient corroborative evidence to ascertain whether Chinese manufacturers are likely to resort to dumping of the product.

I. PUBLIC INTEREST

I.1 Submissions made by other interested parties

112. No submissions were made by other interested parties with regard to public interest.

I.2 Submissions by the domestic industry

113. The following submission were made by the domestic industry during the course of the investigation.
- a. The product under consideration does not form a significant part of the cost of the end product, i.e., truck and the imposition of duties does not have a significant impact on the cost of the user industry.
 - b. There has been no evidence whatsoever to suggest that the existing anti-dumping duties have had any adverse impact on the end customers.
 - c. The OEMs are the drivers of steel wheel prices and the producer's *de-facto* do not have exclusive control over the prices of steel wheels. The producers do not have any undue advantage on extension of duties.
 - d. The PUC goes into the commercial vehicles and forms a meagre part of the total cost of the truck itself. Furthermore, the life of a steel wheel is considered to be same as that of the truck which is between 10 – 15 years which is the reason why there is little to no aftermarket sales.
 - e. According to the *** Report, the steel prices between India and China differ by \$300/MT which translates to a cost difference of around \$***/MT. Non-imposition of duties is

likely to lead to recurrence of imports at prices which are below the cost of production of the domestic industry.

- f. Existing duties, if not extended, would open the Indian market for dumped imports which would be significantly lower than the cost of production of the domestic industry. These dumped imports would cause significant injury to the domestic industry.
- g. The consumers will have to maintain higher degree of inventory if they have to depend on imported material, while they can avoid the burden of inventory holding if they continue to procure from the domestic industry.
- h. The domestic industry has been continuously improving their technology and improving their efficiency of the product under consideration. Due to the optimization in production and reduction in the scrap generated, the industry was able to reduce the weight of steel wheels resulting in better efficiency on the road. Further, the lower consumption of the steel for the manufacture of steel wheels has also helped save crores of money for the common man.
- i. Encouraging domestic manufacturing activities is essential to make India the manufacturing powerhouse it aims to become, boosting employment and increasing the GDP of the country.
- j. Chinese producers have no stake and interest in long term development of the Indian market. In the event another market offers better prices, the producers in the subject country are bound to switch their sale targets.
- k. The objective of extension of antidumping duty in this case is to establish a level playing field, by removing any trade distortion by the producers in the subject country and allowing the Indian industry an opportunity for fair competition.
- l. Extension of anti-dumping measures would not restrict imports from the subject country/territory in any way or affect the availability of the product to the consumers.
- m. The period for which duty has been in force is no relevant consideration to determine whether anti-dumping duty is required to be extended further. In fact, the only relevant consideration are the conditions specified under Section 9A (5). The Authority has in the past also extended duties beyond 10 years while the US and Canada has extended duties beyond 20 years.

I.3 Examination by the Authority

114. The Authority issued a gazette notification inviting views from all the interested parties, including importers, consumers and other interested parties. The Authority also prescribed a questionnaire for the consumers to provide relevant information with respect to the present investigation, including the possible effects of the anti-dumping duties on their operations. The Authority sought information on, *inter-alia*, the interchangeability of the product supplied by various suppliers from different countries, ability of the consumers to switch sources, the effect of anti-dumping duties on the consumers, factors that are likely to accelerate or delay the adjustment to the new situation caused by the imposition of the anti-dumping duties. None of the users or importers of the product under consideration has responded to the initiation

notification or filed response to the questionnaire. It is noted that there has been no response by any interested party since first sunset review investigation despite duties being in place for long and the users being big organised players.

115. The Authority had prescribed an Economic Interest Questionnaire which was sent to all interested parties to this review investigation. Only the domestic industry provided information sought in the Economic Interest Questionnaire. The applicants have supplied relevant information in its Economic Interest Questionnaire.
116. It is noted that the purpose of anti-dumping duties, in general, is to eliminate injury caused to the domestic industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country. Fair competition in the Indian market will not be reduced by the imposition of anti-dumping measures. On the contrary, the continuation of anti-dumping measures would help the domestic industry to continue their growth without being pressurized by the dumped imports from the subject country. It has been claimed by the domestic industry that the producers of the subject goods do not determine the price of the goods, rather it is the OEM (which constitutes almost entirety of the sales by the producers) which dictates the price. It is seen from the information on record that the selling price of the domestic industry have never been significantly higher than the costs. The industry has earned low level of profits. Thus, duties have not been used to benchmark prices in the domestic market.
117. The Authority also notes that the Indian industry has a healthy internal competition and the Indian industry keeps on striving to enhance their technology and efficiency. One of the domestic producers, has its related parties producing subject goods in Turkey and Brazil. The industry has provided the processing cost comparison of the manufacturing entities in Turkey and Brazil and has compared the same with the Indian plant. It is seen that the processing cost is the least for the Indian company, which shows that the Indian company is efficient.
118. The Authority has also examined the impact of anti-dumping duty provided by the domestic industry. It is seen that imposition of duty did not result in increase in prices of the product in the past nor will the extension of duty result in increase of prices of the product in the future. The Authority notes that the product under consideration is used as a component for the manufacture of trucks and does not form a significant part of the cost of the commercial vehicle. The Authority also notes that the PUC is built to last the lifetime of the truck which is around 10 – 15 years. The cost of the steel wheels compared to the price of the truck at the time of purchase of the truck when distributed for a period of 10 – 15 years is inconsequential as is seen from the below table.

Particulars	UOM	Amount
Net Weight of 1 wheel	Kgs	***
Number of Wheels	No	14*

Total Weight	Kgs	***
ADD amount	US\$/MT	513
Total ADD on Truck	US\$	323
Share of China		***%
Exchange Rate		81
Total ADD incidence for a Truck	INR	***
Cost of Truck	INR	35,00,000
Impact in %	%	***%
Trend	%	0-1%

**Number of wheels in Trucks having 3 axles*

119. The Authority also notes that the imposition of anti-dumping duty will not lead to non-availability of the subject goods for the consumers. Moreover, there is no demand supply gap, and the domestic industry has surplus capacity to cater to the current and future demand of the Indian industry as can be seen from the table below.

Particulars	UOM	2019-20	2020-21	2021-22	Jan '22-Dec '22
Capacity Installed	MT	***	***	***	***
Demand	MT	***	***	***	***
Surplus Capacity	MT	***	***	***	***

120. To ensure the continued availability of a competitive domestic product, it is necessary that the domestic industry also remain viable at fair prices failing which the users would become increasingly dependent on the dumped imports.
121. As regards to the claim of the applicants that the Indian industry has improved the efficiency of their production process, the Authority examined the evidence relating advancements made by the Indian industry. It is seen that the Indian industry was able to reduce the weight of steel wheels in the range of 2.5 Kg to 5 Kg by reducing the raw material consumption and wastage. Since, steel alone constitute 60 – 70% of the cost of production, the reduction in steel consumption has resulted in savings to the Indian industry.
122. With regard to the claim that the Indian industry has been reliable with the production of subject goods, the Authority examined the customer satisfaction/reliability reports of all three companies. It is seen from the reports that the customers (OEMs) were satisfied with the products produced by the Indian industry.
123. The domestic industry submits that the only relevant conditions necessary for the extension of duties is specified under Section 9A (5). The Authority notes that duties were extended in the past for more than 10 years and moreover other jurisdictions like the US and Canada have extended the duties for more than 2 decades. In the present investigation, the Authority notes

that the domestic industry is not suffering injury currently due to the subject imports, however, based on the evidence on record and the likelihood of dumped imports, past practice by the Chinese producers, the improvements made by the Indian industry makes their production process more efficient. Further, the Chinese government have continued to maintain export tariffs on basic raw materials including steel giving their domestic producers undue advantage of access to cheap raw materials. Such cheap raw materials are sold below the international market prices. This act of Chinese government along with the other parameters for likelihood show that imports are likely to resume if the exiting duties are lifted.

J. POST-DISCLOSURE COMMENTS

J.1. Views of the other interested parties

124. No submission has been made by the exporters/other interested parties post-issuance of the disclosure statement.

J.2. Views of the domestic industry

125. The following submissions were made by the domestic industry post issuance of the disclosure statement:
- a. Forcing the domestic industry to match the import prices of Chinese producers in the absence of duties would lead to significant financial losses, which may lead to the Chinese imports substituting the Indian industry and catering to the entire demand of subject goods in India.
 - b. The major portion of the cost of production of the subject goods is direct cost which is around 80%, while steel alone constitutes around 70% of the production costs. The export tariffs being maintained by China at 20% for high-purity pig iron and 40% for ferrochrome among other crucial raw materials used for the manufacture of Steel gives significant price advantages to the Chinese producers.
 - c. Indian industry is already selling their products at low profit margin. If there arises a situation where duties cease to exist, even a reduction of the Indian industry's selling price by 5% would push the selling price below the direct costs. Nevertheless, the Chinese subject goods would still be cheaper by 25 – 35% and yet would be earning decent profits compared to the Indian industry.
 - d. The existing duties have had no or insignificant impact on the user industry i.e., the OEM manufacturers and the eventual end-customers i.e., the customers who purchases the commercial vehicles.
 - e. The OEMs have considerable bargaining power in the procurement prices of subject goods depends on the order size, specifications of the product required by the OEMs etc. The selling prices are highly transparent and there is not undue advantage to the Indian industry due to the extension of duties. The order volumes are quite high and since, the Indian industry cannot afford to lose such huge orders, they end up selling at prices

desired by the OEMs. The Indian industry also stated that the quantity procured by a two OEMs alone in the POI constitute around 3/4 of the total goods sold, while emphasising on the order size.

- f. The US Authority in their countervailing duty definitive findings determined that China was getting steel at *less than adequate remuneration* and calculated its subsidy margin alone at 44%. Such huge price advantage can easily overcome the existing basic customs duty of 15% on the subject goods. Further, the steel prices available to the domestic industry in China is lower than the export price for steel in China. However, the export prices are still lower than the international price for steel.
- g. The state-owned enterprises (SOEs) of China control and dominate the pricing of the subject goods. Based on the information received from the sister concern of an Indian industry in China which is also a manufacturer of the subject goods, the Chinese manufacturers are getting steel at prices lower than the international prices.
- h. The PUC used in tubed-type wheels and the tubeless type wheels share similar raw material, manufacturing process, facilities, costs and prices etc. Some producers in China have dedicated production facilities while others have converted their tubed-type wheels facility into tubeless-type manufacturing facility to produce wheels for tubeless tyres. The similarity between these two products enable the manufacturing facilities of tubeless be used for PUC manufacturing. The only difference is in the manufacture of wheel. Since, the subject goods are produced based on the orders and specification received from the customers, a manufacturer can readily switch between the two products.
- i. The Indian industry have been successful in improving their efficiency in manufacturing through material optimization and wastage reduction. Comparison of the processing cost comparison of the related parties of one of the Indian companies in Turkey and Brazil with that of the Indian plant show that the processing cost is much better for the Indian company against that of Brazil and Turkey.
- j. The reliability reports of the Indian manufacturers among its consumers boast about the Indian industry's flawless relationship with its customers. The Indian industry is well capable to meet the growing demand in India as it already has surplus capacities but resumption of imports from China would not be conducive neither for the OEMs, nor for the Indian industry and the eventual end-customers.

J.3. Examination by the Authority

- 126. The Authority has examined the post disclosure submissions made by the domestic industry and notes that the comments are reiterations which have already been examined suitably and addressed adequately in the relevant paras of the disclosure statement.

K. CONCLUSION AND RECOMMENDATIONS

- 127. Having regard to the contentions raised, information provided, submissions made and the facts available before the Authority as recorded above and on the basis of the above analysis

of the likelihood of continuation or recurrence of dumping and injury to the domestic industry, the Authority concludes that:

- a. The product under consideration is “flat base steel wheels of size 16” nominal diameter to 20” nominal diameter used in tubed tyre application in commercial vehicles” (the subject goods), originating in or exported from China PR.
- b. The applicants constitute domestic industry under Rule 2(b) of the Rules and the application satisfies the requirements under the Rules.
- c. The product supplied by the Indian industry is like article to the product under consideration imported from the subject country.
- d. After enhancement of duties in the first sunset review investigation, the imports from China declined and the performance of the domestic industry also improved. The domestic industry suffered financial losses during 2019 – 2020 and 2020 - 2021, due to other factors, improved thereafter declined again on account of increase in steel prices.
- e. Profitability of the domestic industry as such is, however, quite low because of the nature of business the applicants have with its customers which are OEMs and therefore any further price negotiations by the domestic industry in the event of influx of low-priced imports from China shall force the domestic industry to significant financial losses.
- f. Chinese producers have significant capacities available with them and they have increased their capacities just before the present injury period further adding to the surplus created by them.
- g. Chinese exporters are highly export oriented.
- h. The evidence of export price indicates that the Chinese exporters are exporting the goods to third countries at significant dumped and injurious price.
- i. US and EU have already imposed trade remedial measures on China which were its major markets. Thus, Chinese export market is getting restricted.
- j. The Indian industry have been successful in improving their efficiency over the past few years by reducing the weight of the PUC by reducing the raw material usage.
- k. Despite providing all formats for users/ importers to quantify the impact of anti-dumping duty and elaborate on how extension of anti-dumping duty will adversely impact them, the interested parties have not responded and established possible adverse impact of anti-dumping duty on the user industry with verifiable information. The domestic industry has however provided information and evidence to substantiate that there was no adverse impact of the anti-dumping duty imposed in the past.
- l. The Indian industry does not gain any undue advantage on extension of existing duties as the price negotiations between the OEMs and the Indian manufacturers are fairly transparent. Analysis of the customer reliability report also suggest that the OEMs are satisfied with the subject goods produced and supplied by the Indian industry.
- m. There is healthy competition in the Indian market and continuation of the duties would not deprive the user industry of any requirements.
- n. There is no demand supply gap, and the domestic industry has surplus capacity to cater to the current and future demand of the Indian industry.

128. The Authority notes that the investigation was initiated and notified to all interested parties and adequate opportunity was given to the domestic industry, exporters, importers and other interested parties to provide information on the aspects of likelihood of continuation/recurrence of dumping and injury.
129. Having concluded that there is likelihood of continuation/recurrence of dumping and injury if the existing antidumping duties are not continued, the Authority is of the view that continuation of duty is required on the imports of the PUC from the subject country.
130. Under the aforesaid circumstances, the Authority considers it appropriate to recommend continuation of the existing quantum of duties on the imports of the subject goods from China which would address and mitigate the likelihood of injury from the subject country. The Authority, thus, considers it necessary to recommend the continued imposition of existing definitive anti-dumping duty as indicated in column 8 of the duty table below for another period of five (5) years from the date of the notification to be issued by the Central Government, on all imports of the subject goods originating in or exported from the subject country.

Duty Table

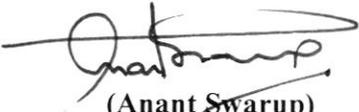
S N	Sub headin g ***	Descriptio n of Goods	Country of Origin	Country of Export	Prod ucer	Exporte r	Amoun t of duty	Unit of measureme nt	Currenc y
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	8708. 70	Flat Base Steel Wheels of nominal diameter 16" - 20"	China PR	China PR	Any	Any	613.00	MT	US\$
2	-do-	-do-	China PR	Any country other than China PR	Any	Any	613.00	MT	US\$
3	-do-	-do-	Any country other than China PR	China PR	Any	Any	613.00	MT	US\$

***Note – Customs classification is only indicative, and the determination of anti-dumping duty shall be made as per the description of the PUC

131. The landed value of imports for the purpose of this notification shall be the assessable value as determined by the Customs under the Customs Act, 1962 (52 of 1962) and includes all duties of customs except duties under Sections 3, 3A, 8B, 9A of the said Act.

L. FURTHER PROCEDURE

132. An appeal against the determination/review of the Designated Authority in these final findings shall lie before the Customs, Excise, and Service Tax Appellate Tribunal in accordance with the relevant provisions of the Act.


(Anant Swarup)
Designated Authority