



## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-533-870]

#### **Certain New Pneumatic Off-the-Road Tires from India: Final Results of Countervailing Duty Administrative Review; 2021**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The U.S. Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers and exporters of certain new pneumatic off-the-road tires (OTR Tires) from India. The period of review (POR) January 1, 2021, through December 31, 2021.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** Mark Hoadley, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3148.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

On April 5, 2023, Commerce published the *Preliminary Results* and invited interested parties to comment.<sup>1</sup> These final results cover 23 companies for which an administrative review was initiated.<sup>2</sup> We selected two companies for individual examination: ATC Tires Private Limited (ATC) and Balkrishna Industries Ltd. (BKT). For a description of the events that

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<sup>1</sup> See *Certain New Pneumatic Off-the-Road Tires from India: Preliminary Results of Countervailing Duty Administrative Review; 2021*, 88 FR 20125 (April 5, 2023) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum (PDM).

<sup>2</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 86 FR 50034 (September 7, 2021).

followed the *Preliminary Results*, see the Issues and Decision Memorandum.<sup>3</sup> Commerce conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act).

### Scope of the Order

The products covered by the *Order* are OTR Tires from India. For a complete description of the scope, see the Issues and Decision Memorandum.<sup>4</sup>

### Analysis of Comments Received

We addressed all issues raised in the case and rebuttal briefs in the Issues and Decision Memorandum. A list of these issues is attached in Appendix I to this notice. The Issues and Decision Memorandum is a public document and is available electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Services System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

### Changes Since the Preliminary Results

Based on our analysis of the comments received from interested parties, a review of the record, and for the reasons explained in the Issues and Decision Memorandum, we made certain revisions to the subsidy calculations for ATC and BKT, as detailed in the Issues and Decision Memorandum.<sup>5</sup> As a result of the changes to ATC's and BKT's rates, the final rate for the 21 non-selected companies under review also changed.

### Methodology

Commerce is conducting this administrative review in accordance with section 751(a)(1)(A) of the Act. For each of the subsidy programs found countervailable, we find that

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<sup>3</sup> See Memorandum, "Issues and Decision Memorandum for the Final Results of the Administrative Review of the Certain New Pneumatic Off-the-Road Tires from India; 2021," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

<sup>4</sup> See Issues and Decision Memorandum.

<sup>5</sup> *Id.* at 4.

there is a subsidy, *i.e.*, a financial contribution from an authority that gives rise to a benefit to the recipient and that the subsidy is specific.<sup>6</sup> The Issues and Decision Memorandum contains a full description of the methodology underlying Commerce’s conclusions.

#### Companies Not Selected for Individual Review

Generally, Commerce looks to section 705(c)(5) of the Act for guidance for calculating the rate for companies that were not selected for individual examination in an administrative review. Under section 705(c)(5)(A) of the Act, the all-others rate is normally determined by weight averaging the countervailable subsidy rates established for each of the companies individually investigated, excluding zero and *de minimis* rates or any rates based solely on the facts available.

In this review, in accordance with 19 CFR 351.221(b)(5), we calculated a subsidy rate of 2.20 percent for ATC and a subsidy rate of 0.33 percent for BKT. Therefore, we preliminarily determine to apply the weighted average of the net subsidy rates calculated for ATC and BKT using publicly ranged sales data submitted by those respondents to the non-selected companies.<sup>7</sup> The companies for which a review was requested, and which were not selected as mandatory respondents or found to be cross-owned with a mandatory respondent, are listed in Appendix 2.

#### Final Results of Review

We determine that the following total net countervailable subsidy rates exist for the period January 1, 2021, through December 31, 2021:

<b>Company</b>	<b>Subsidy Rate (percent <i>ad valorem</i>)</b>
ATC Tires Private Limited <sup>8</sup>	2.20
Balkrishna Industries Ltd.	0.33
Companies Not Selected for Individual Examination	1.58

<sup>6</sup> See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

<sup>7</sup> See Memorandum, “Calculation of Subsidy Rate for Non-Selected Companies Under Review,” dated concurrently with this memorandum.

<sup>8</sup> This rate applies to ATC, ATC Tires AP Private Ltd., and Yokohama India Private Limited.

## Disclosure

Commerce intends to disclose the calculations performed in connection with these final results of review to parties in this review within five days after public announcement of the final results or, if there is no public announcement, within five days of the date of publication of this notice in the *Federal Register*, in accordance with 19 CFR 351.224(b).

## Assessment Rates

Pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(2), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries of subject merchandise in accordance with the final results of this review, for the above-listed companies at the applicable *ad valorem* assessment rates listed. Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

## Cash Deposit Requirements

In accordance with section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for each of the respective companies listed above on shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposits, effective upon the publication of the final results of this review, shall remain in effect until further notice.

## Administrative Protective Order

This notice also serves as a final reminder to parties subject to administrative protective order (APO) of their responsibility concerning the destruction or return of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the destruction or return of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(5).

**Dated:** September 27, 2023.

**Lisa W. Wang,**  
*Assistant Secretary for Enforcement and Compliance.*

## Appendix I

### List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Companies Not Selected for Individual Examination
- V. Changes Since the *Preliminary Results*
- VI. Discussion of the Issues
  - Comment 1: Verification
  - Comment 2: Merchandise Export Incentive Scheme (MEIS) Benefits
  - Comment 3: Tax and Duty Exemptions Under the Export Oriented Unit (EOU) and Special Export Zone (SEZ) Programs
  
  - Comment 4: SEZ Income Tax Exemption, Section 10AA of the Income Tax Act
  - Comment 5: Export Credit Insurance
  - Comment 6: Gujarat Electricity Duty Exemption
  - Comment 7: Advanced Authorization Scheme
  - Comment 8: Maharashtra Package Scheme of Incentives (MPSI), 2013 – Sales Tax Deferral Scheme
  - Comment 9: MPSI, 2013 – Industrial Promotion Subsidy
  - Comment 10: Completeness of Commerce’s Preliminary Determinations and Its Reliance on Past Decisions
  - Comment 11: Commerce Must Remove All Cenvatable Duties from the Benefit Calculation for the Export Promotion of Capital Goods Scheme (EPCGS)
- VII. Recommendation

## Appendix II

### List of Companies Not Selected for Individual Examination

Apollo Tyres Ltd.  
Asian Tire Factory Ltd.  
Cavendish Industries Ltd.  
CEAT Ltd.  
Celite Tyre Corporation  
Emerald Resilient Tyre Manufacturer  
HRI Tires India  
Innovative Tyres & Tubes Limited  
JK Tyres and Industries Ltd.  
K.R.M. Tyres  
M/S. Caroline Furnishers Pvt Ltd.  
MRF Limited  
MRL Tyres Limited (Malhotra Rubbers Ltd.)  
OTR Laminated Tyres (I) Pvt. Ltd.  
Rubberman Enterprises Pvt. Ltd.  
Sheetla Polymers  
Speedways Rubber Company  
Sun Tyres & Wheel Systems  
Sundaram Industries Private Limited  
Superking Manufacturers (Tyre) Pvt., Ltd.  
TVS Srichakra Limited

[FR Doc. 2023-21837 Filed: 10/2/2023 8:45 am; Publication Date: 10/3/2023]