



DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-870]

Certain New Pneumatic Off-The-Road Tires from India: Preliminary Results of Countervailing

Duty Administrative Review; 2022

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that countervailable subsidies were provided to producers and/or exporters of certain new pneumatic off-the-road tires (OTR tires) from India, during the period of review (POR) January 1, 2022, through December 31, 2022. Interested parties are invited to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: Austin Davison or 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) 482-2811 and (202) 482-3148, respectively.

SUPPLEMENTARY INFORMATION:

Background

On May 9, 2023, Commerce published the initiation of this administrative review of the countervailing duty order on OTR tires from India.¹ The mandatory company respondents are

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 88 FR 29885 (May 9, 2023).

ATC Tires Private Limited (ATC) and Balkrishna Industries Ltd. On November 9, 2023, Commerce extended the time limit for these preliminary results to March 29, 2024.²

For a complete description of the events that followed the initiation of the review, *see* the Preliminary Decision Memorandum.³ A list of topics discussed in the Preliminary Decision Memorandum is included as Appendix I to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the Order

The merchandise covered by the order is OTR tires. OTR tires are tires with an off road tire size designation. The tires included in the scope may be either tube-type or tubeless, radial, or non-radial, regardless of whether for original equipment manufacturers or the replacement market. For a complete description of the scope of this order, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs preliminarily found to be countervailable, Commerce preliminarily determines that 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.⁴ For a full description of the methodology underlying Commerce's preliminary conclusions, *see* the Preliminary Decision Memorandum.

² *See* Memorandum, "Extension of Deadline for Preliminary Results of Review," dated November 9, 2023.

³ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Administrative Review of the Countervailing Duty Order on Off-the-Road Tires from India; 2022," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁴ *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.

Companies Not Selected for Individual Examination

The Act and Commerce’s regulations do not directly address the subsidy rate to be applied to companies not selected for individual examination where Commerce limits its examination in an administrative review pursuant to section 777A(e)(2) of the Act. However, Commerce normally determines the rates for non-selected companies in reviews in a manner that is consistent with section 705(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation. Section 777A(e)(2) of the Act provides that “the individual countervailable subsidy rates determined under subparagraph (A) shall be used to determine the all-others rate under section 705(c)(5) {of the Act}.” Section 705(c)(5)(A) of the Act states that for companies not investigated, in general, we will determine an all-others rate 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.

Accordingly, to determine the rate for companies not selected for individual examination, Commerce’s practice is to weight average the net subsidy rates for the selected mandatory respondents, excluding rates that are zero, *de minimis*, or based entirely on facts available.⁵ We preliminarily determine that ATC received countervailable subsidies that are above *de minimis* and are not based entirely on facts available. Therefore, we preliminarily determine to apply the net subsidy rates calculated for ATC. The companies for which a review was requested, which were not selected as mandatory respondents or found to be cross-owned with a mandatory respondent, are listed in Appendix II.

Preliminary Results of Review

Commerce preliminarily determines the net countervailable subsidy rates exist for the period January 1, 2022, through December 31, 2022:

Company	Subsidy Rate (percent <i>ad valorem</i>)
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⁵ See, e.g., *Certain Pasta from Italy: Final Results of the 13th (2008) Countervailing Duty Administrative Review*, 75 FR 37386, 37387 (June 29, 2010).

ATC Tires Private Limited ⁶	1.83
Balkrishna Industries Ltd.	0.43 (<i>de minimis</i>)
Companies Not Selected for Individual Review ⁷	1.83

Disclosure and Public Comment

Commerce intends to disclose its calculations and analysis performed to interested parties for these preliminary results within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance. Commerce will notify interested parties of the deadline for submission of case briefs. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs.⁸ Interested parties who submit case briefs or rebuttal briefs in this proceeding must submit: (1) a table of contents listing each issue; and (2) a table of authorities.⁹

As provided under 19 CFR 351.309(c)(2) and (d)(2), in prior proceedings we have encouraged interested parties to provide an executive summary of their brief that should be limited to five pages total, including footnotes. In this review, we instead request that interested parties provide at the beginning of their briefs a public, executive summary for each issue raised in their briefs.¹⁰ Further, we request that interested parties limit their executive summary of each issue to no more than 450 words, not including citations. We intend to use the executive summaries as the basis of the comment summaries included in the issues and decision memorandum that will accompany the final results in this administrative review. We request that interested parties include footnotes for relevant citations in the executive summary of each

⁶ As discussed in the Preliminary Decision Memorandum, Commerce preliminarily finds ATC Tires AP Private Ltd to be cross-owned with ATC.

⁷ See Appendix II for the list of these companies.

⁸ See 19 CFR 351.309(d); see also *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069, 67077 (September 29, 2023) (*APO and Service Final Rule*).

⁹ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁰ We use the term “issue” here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

issue. Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).¹¹

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case briefs. An electronically filed hearing request must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5 p.m. Eastern Time, within 30 days of the publication date of this notice. If a request for a hearing is made, parties will be notified of the time and date of the hearing.¹²

Final Results of Review

Unless the deadline is extended, Commerce intends to issue the final results of this administrative review, which will include the results of Commerce's analysis of the issues raised in the case briefs, within 120 days after the date of the preliminary results, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1).

Assessment Rates

In accordance with 19 CFR 351.221(b)(4)(i), Commerce preliminarily assigned a subsidy rate in the amount for the producers/exporters shown above. Upon completion of the administrative review, consistent with section 751(a)(1) of the Act and 19 CFR 351.212(b)(2), Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. 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*.

¹¹ See *APO and Service Final Rule*.

¹² See 19 CFR 351.310(d).

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)(2)(C) of the Act, Commerce also intends upon publication of the final results, to instruct CBP to collect cash deposits of the estimated countervailing duties in the amounts calculated in the final results of this review for the respective companies listed above with regard to shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. If the rate calculated in the final results is zero or *de minimis*, no cash deposit will be required 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 review.

For all non-reviewed firms, CBP will continue to collect cash deposits of estimated countervailing duties at the all-others rate or the most recent company-specific rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Interested Parties

These preliminary results of review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213 and 351.221(b)(4).

Dated: March 29, 2024.

Abdelali Elouaradia,
Deputy Assistant Secretary
for Enforcement and Compliance.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Rate for Non-Examined Companies
- V. Subsidies Valuation
- VI. Interest Rate Benchmarks, Discount Rates, and Benchmarks for Measuring the Adequacy of Remuneration
- VII. Analysis of Programs
- VIII. Recommendation

Appendix II

List of Companies Not Selected for Individual Review

1. Aakriti Manufacturing Pvt. Ltd.
2. Apollo Tyres Ltd.
3. Asian Tire Factory Limited.
4. Asiatic Tradelinks Private Limited.
5. Cavendish Industries Ltd.
6. Ceat Ltd.
7. Celite Tyre Corporation.
8. Emerald Resilient Tyre Manufacturer.
9. Forech India Private Limited.
10. HRI Tires India.
11. Innovative Tyres & Tubes Limited.
12. JK Tyre & Industries Ltd.
13. John Deere India Pvt. Ltd.
14. K.R.M. Tyres.
15. Mahansaria Tyres Private Limited.
16. MRF Limited.
17. MRL Tyres Limited (Malhotra Rubbers Ltd.).
18. Neosym Industry Limited.
19. OTR Laminated Tyres (I) Pvt. Ltd.
20. Royal Tyres Private Limited.
21. Rubberman Enterprises Pvt. Ltd.
22. Speedways Rubber Company.
23. Sun Tyre And Wheel Systems.
24. Sundaram Industries Private Limited.
25. Superking Manufacturers (Tyre) Pvt., Ltd.
26. TVS Srichakra Limited.
27. Ultra Mile.