ANTI-DUMPING / SUNSET REVIEW FINAL FINDINGS

DGTR recommends continuing anti-dumping duty on axles for trailers from China

DGTR recommends keeping the anti-dumping duty on axles for trailers from China for five more years, at USD 0.16 and USD 0.31 per kg.

THE DIRECTORATE GENERAL of Trade Remedies has issued final findings dated October 22, 2026 in the second sunset review of the anti-dumping duty on imports of "Axle for Trailers" originating in or exported from China (Case No. AD (SSR) – 02/2026). The review was initiated on March 20, 2026 on an application by M/s York Transport Equipment (India) Pvt. Ltd., supported by Kross Limited. The period of investigation is October 1, 2024 to September 30, 2025.

KEY FACTS

MEASURE

Anti-dumping

STAGE

Sunset review final findings

COUNTRIES

China

DATED

October 22, 2026

REFERENCES

Case No. AD (SSR) – 02/2026

F. No. 7/5/2026-DGTR

CG-DL-E-24102026-277394

HS CODES 1

8716 90 10

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The duty was first imposed by Notification No. 54/2016-Customs (ADD) dated November 29, 2016, extended to axles in CKD/SKD condition by Notification No. 69/2021-Customs (ADD) dated December 13, 2021 after an anti-circumvention investigation, and continued after the first sunset review by Notification No. 04/2022-Customs (ADD) dated January 24, 2022. It is in force up to January 23, 2027. The product covers all non-driven trailer axles, seamless or welded, complete or in CKD/SKD form, under tariff item 8716 90 10; the Authority rejected an importer's request to exclude seamless axles.

Of five known Chinese producers and exporters, only Guangdong Fuwa Heavy Industries Co., Ltd. responded. The Authority found dumping margins of 15-25% for Guangdong Fuwa and 40-50% for others, and injury margins of 0-10% and 20-30% respectively. Imports from China, the only source, were 1,352 MT in the period of investigation against 1,279 MT in 2022-23, and without the duty they undercut the domestic industry's prices by 5-15%. With the duty in force, the domestic industry remained profitable and is not found to be suffering continued injury.

Citing continued dumping, unutilized Chinese capacity significantly higher than Indian demand on the domestic industry's estimates, and Guangdong Fuwa's exports to third countries at prices lower than its prices to India, the Authority found a strong likelihood of continued dumping and recurrence of injury if the duty expires. It recommends continuing the existing duty for five more years without re-quantifying it: USD 0.16 per kg for Guangdong Fuwa and USD 0.31 per kg for all others, subject to notification by the Central Government. An appeal lies before the Customs, Excise and Service Tax Appellate Tribunal.

Measure	Anti-dumping
Stage	Sunset review final findings
Case number	Case No. AD (SSR) – 02/2026
File number	F. No. 7/5/2026-DGTR
Dated	October 22, 2026
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Gazette ID	CG-DL-E-24102026-277394
Product	Axle for Trailers
What it covers	All variants of non-driven axles used in trailers, whether of seamless or welded construction, in complete form or in Semi Knocked Down (SKD)/Completely Knocked Down (CKD) condition, that is, in an unassembled, unfinished or incomplete form, to the extent covered by the existing measure. Axles for vehicles other than trailers, including drive axles used in trucks and prime movers, are excluded. The scope is the same as that of the measure under review, including the CKD/SKD coverage added after the anti-circumvention investigation. Whether an individual component, such as an axle beam or tube, attracts the duty is for Customs to decide on the nature of the goods and the applicable notification. The customs classification is indicative only and not binding on the scope.
Customs codes	8716 90 10
Countries	China
Applicant	M/s York Transport Equipment (India) Pvt. Ltd., supported by Kross Limited
Period of investigation	1st October 2024 to 30th September 2025 (12 months)
Injury period	financial years 2022-23, 2023-24, 2024-25 and the period of investigation
Findings	• York Transport Equipment (India) Pvt. Ltd., one of six producers of the like article in India, constitutes the domestic industry under Rule 2(b). The importer H.D. Trailers Private Limited (HDTPL) objected that the applicant belongs to an international group and is related to a Chinese company, Qingdao YTE Special Products Co. Ltd.; the objection was rejected, as DG Systems data show no imports of the product by the applicant from China and none from Qingdao YTE or any other entity related to the applicant. • HDTPL's request to exclude seamless (single-tube) axles was rejected, as the first sunset review and the anti-circumvention investigation had found that axles made from a single-piece beam and from a welded beam have similar uses and are substitutable, and HDTPL brought no new fact on record. Its contention that the initiation notification includes drive axles was found incorrect, as trailer axles are non-driven.

- Of the five known producers and exporters in China, only Guangdong Fuwa Heavy Industries Co., Ltd. filed a questionnaire response, and none claimed market economy treatment. As the applicant's proposal of South Africa as the market economy third country, based on the landed prices of its own exports there, was not substantiated, and no reliable price of exports from a market economy third country to other countries was available, normal value was determined under paragraph 7 of Annexure I on the price payable in India, constructed from the cost of production of the like article in India with selling, general and administrative expenses and a reasonable profit.
- Export price for Guangdong Fuwa is based on its prices to three unrelated customers in India, and for all other producers on facts available under Rule 6(8) from DG Systems data. The dumping margins are 15-25% for Guangdong Fuwa and 40-50% for any other producer, positive and above the de minimis level notwithstanding the duty in force.
- The injury margins are 0-10% for Guangdong Fuwa and 20-30% for any other producer.
- China is the only source of imports, which were 1,279 MT in 2022-23, 2,289 MT in 2023-24, 1,418 MT in 2024-25 and 1,352 MT in the period of investigation, a market share of 3.51%, 4.36%, 2.93% and 2.91%. Without the duty, the landed value of ₹1,45,115 per MT undercuts the domestic industry's prices by 5-15% and was below its cost of sales in the period of investigation; with the duty, it is on average just above the domestic industry's selling price.
- With the duty in force, the domestic industry's production, sales and capacity utilization rose over the injury period, it earned profits and cash profits in every year and its return on capital employed improved, so it is not found to be suffering continued injury. Its market share declined, moving to the other Indian producers rather than to imports, and the moderation in its volumes and market share is attributed to some extent to lower demand and competition from the other domestic producers.
- The Authority finds a strong likelihood of continuation or intensification of dumping and recurrence of injury if the duty expires, citing continued dumping; imports from October 2025 to January 2026 at a marginally higher annualized rate and broadly unchanged prices; unutilized capacity of four major Chinese producers that, on the domestic industry's estimates, is significantly higher than the entire Indian demand; Guangdong Fuwa's own unutilized capacity in the period of investigation

exceeding Indian demand; and its exports to third countries at prices consistently lower than its prices to India.
- Re-worked by the Authority, the impact of the duty is 0.17% to 0.58% of the price of three trailer configurations, which it finds insignificant; no user or association of users filed a response. HDTPL's requests for an importer-specific exemption, for separate assessment under Rule 22 and price undertakings under Rule 15 for two non-cooperating exporters, and to withdraw or reduce the duty were not accepted.

Recommendation	The Authority recommends continuation of the definitive anti-dumping duty on imports of Axle for Trailers originating in or exported from China, at the existing producer-specific rates and country coverage, for a further period of five years under Section 9A(5) of the Customs Tariff Act, 1975 read with Rule 23 of the Anti-Dumping Rules, 1995. The duty is not re-quantified: USD 0.16 per kg for Guangdong Fuwa Heavy Industries Co., Ltd. and USD 0.31 per kg for all other producers.
Duty expressed as	Fixed amount in USD per kg
For how long	A further period of five (5) years, unless revoked, amended or superseded earlier; the continuation is subject to notification by the Central Government
What happens next	The continuation is subject to notification by the Central Government; the existing duty is in force up to January 23, 2027. The individual rate applies only on presentation of a commercial invoice carrying the prescribed producer declaration; otherwise the duty for all other producers applies. An appeal lies before the Customs, Excise and Service Tax Appellate Tribunal under Section 9C of the Customs Tariff Act, 1975.

The duty table

Country	Producer	Duty
China PR (country of origin), exported from any country including China PR	Guangdong Fuwa Heavy Industries Co., Ltd.	USD 0.16 per Kg
China PR (country of origin), exported from any country including China PR	Any producer other than serial no. 1	USD 0.31 per Kg
Any country other than China PR (country of origin), exported from China PR	Any producer	USD 0.31 per Kg

The notification (PDF, 1.1 MB)

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