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DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-864]

Certain Corrosion-Resistant Steel Products from India: Final Results of Countervailing Duty Administrative Review; 2015-2016

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

SUMMARY: The Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers/exporters of certain corrosion-resistant steel products (CORE) from India for the period of review November 6, 2015, through December 31, 2016.

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

FOR FURTHER INFORMATION CONTACT: Justin Neuman or Matthew Renkey, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0486 and 202 (482)-2312, respectively.

Background

Commerce published the preliminary results of the administrative review of the CVD order on CORE from India on August 10, 2018.<sup>1</sup> On December 6, 2018, we fully extended postponed the deadline for the final results of this review until March 18, 2019.<sup>2</sup> Our post-preliminary analysis was released on December 19, 2018.<sup>3</sup> In this review we examined JSW Steel Limited and JSW

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<sup>1</sup> See *Certain Corrosion-Resistant Steel Products from India: Preliminary Results of the Countervailing Duty Administrative Review; 2015-2016*, 83 FR 39670 (August 10, 2018) and accompanying Preliminary Decision Memorandum.

<sup>2</sup> See Commerce Memorandum, “Certain Corrosion-Resistant Steel Products from India: Extension of Deadline for Final Results of the First Countervailing Duty Administrative Review,” dated December 6, 2018.

<sup>3</sup> See Commerce Memorandum, “Administrative Review of the Countervailing Duty Order on Certain

Steel Coated Products Limited (collectively, JSW), as well as Uttam Galva Steels Limited and Uttam Value Steels Limited (collectively, Uttam), the only companies for which a review was requested. Based on an analysis of the comments received, Commerce has made certain changes to the subsidy rates published in the *Preliminary Results*. The final subsidy rate is listed in the “Final Results of Administrative Review” section below.

### Scope of the Order

The products covered by the order are certain corrosion-resistant steel products from India. For a full description of the scope, see the Issues and Decision Memorandum.<sup>4</sup>

### Analysis of Comments Received

The issues raised by the Government of India (GOI), JSW, Uttam, and the petitioners<sup>5</sup> in their case and rebuttal briefs are addressed in the Issues and Decision Memorandum. The issues are identified in the Appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov> and in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <https://enforcement.trade.gov/frn/>. The signed Issues and Decision Memorandum and electronic versions of the Issues and Decision Memorandum are identical in content.

### Changes Since the Preliminary Results

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Corrosion-Resistant Steel Products from India: Post-Preliminary Analysis,” dated December 19, 2018.

<sup>4</sup> See Commerce Memorandum, “Decision Memorandum for the Final Results of the Countervailing Duty Administrative Review; 2015-2016: Certain Corrosion-Resistant Steel Products from India,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

<sup>5</sup> The petitioners are United States Steel Corporation, Nucor Corporation, Steel Dynamics Inc., California Steel Industries, ArcelorMittal USA LLC, and AK Steel Corporation. California Steel Industries, Inc. and Steel Dynamics, Inc. are the two petitioners who have actively participated in this review.

Based on comments received from interested parties, we have made revisions to some of our subsidy rate calculations for JSW and Uttam. For a discussion of these issues, *see* the Issues and Decision Memorandum.

Methodology

We conducted 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 found countervailable, we find that there is a subsidy, *i.e.*, a financial contribution by an “authority” that gives rise to a benefit to the recipient, and that the subsidy is specific.<sup>6</sup> For a full description of the methodology underlying our conclusions, including any determination that relied upon the use of adverse facts available pursuant to sections 776(a) and (b) of the Act, *see* the Issues and Decision Memorandum.

Final Results of the Review

In accordance with section 777A(e) of the Act and 19 CFR 351.221(b)(5), we find that the following net countervailable subsidy rate exists for the mandatory respondents, JSW and Uttam, for the period November 6, 2015, through December 31, 2016:

<b>Manufacturer/Exporter</b>	<b>Subsidy Rate (percent <i>ad valorem</i>)</b>
JSW Steel Limited and JSW Steel Coated Products Limited <sup>7</sup>	11.30
Uttam Galva Steels Limited and Uttam Value Steels Limited <sup>8</sup>	588.43

<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> Cross-owned affiliates are: JSW Steel Coated Products Limited (a producer and exporter of subject merchandise), Amba River Coke Limited, JSW Steel (Salav) Limited, and JSW Steel Processing Centers Limited.

<sup>8</sup> Cross-owned affiliates are: Uttam Value Steels Limited (a producer and exporter of subject merchandise) and Uttam Galva Metallics Limited.

### Assessment Rates

In accordance with 19 CFR 351.212(b)(2), we intend to issue appropriate instructions to Customs and Border Protection (CBP) 15 days after the date of publication of the final results of this review. We will instruct CBP to liquidate shipments of subject merchandise produced and/or exported by the company listed above, entered, or withdrawn from warehouse, for consumption, from November 6, 2015, through December 31, 2016, at the *ad valorem* rates listed above.

### Cash Deposit Requirements

We intend also to instruct CBP to collect cash deposits of estimated countervailing duties in the amount shown above for JSW and Uttam, on 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. For all non-reviewed firms, Commerce will instruct CBP to continue to collect cash deposits at the most recent company-specific or all-others rate applicable to the company, as appropriate. Accordingly, the cash deposit requirements that will be applied to companies covered by this order, but not examined in this administrative review, are those established in the most recently completed segment of the proceeding for each company. These cash deposit requirements, when imposed, shall remain in effect until further notice.

### Administrative Protective Order

This notice also serves as a final reminder to parties subject to an administrative protective order (APO) of their responsibilities concerning the return or destruction 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 return or destruction 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 violation which is subject to sanction.

These final results are issued and published in accordance with sections 751(a)(1) and

*Dated: March 20, 2019.*

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Christian Marsh,  
Deputy Assistant Secretary  
for Enforcement and Compliance.

## **Appendix**

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

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Use of Facts Otherwise Available and Adverse Inferences
- V. Subsidies Valuation Information
- VI. Analysis of Programs
- VII. Analysis of Comments
  - Comment 1: Whether Commerce Erred by Investigating New Subsidy Allegations and Not Providing the GOI with an Opportunity to Conduct Consultations
  - Comment 2: Whether Commerce Can Rely on Prior Findings of Fact
  - Comment 3: Whether Commerce Should Apply Adverse Facts Available as a Result of the GOI's Failure to Cooperate to the Best of Its Ability
  - Comment 4: Whether Commerce Should Apply Adverse Facts Available to Uttam Galva
  - Comment 5: Whether the Incremental Export Incentivization Scheme Is Countervailable
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  - Comment 7: Whether the Advance Authorization Program, Duty Drawback Program, and Duty Free Authorization Program Are Countervailable
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  - Comment 9: Whether the Merchandise Exports from India Scheme Is Countervailable
  - Comment 10: Whether Uttam Galva's Benefits under the Merchandise Exports from India Scheme Should Be Tied to U.S. Exports
  - Comment 11: Whether Safeguard Duties Should Be Included in the Advanced Authorization Program Calculations
  - Comment 12: Whether the Administration of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) through the Board for

Industrial & Financial Reconstruction (BIFR) Constitutes a  
Subsidy

Comment 13: Whether Commerce Erred in Its Preliminary Calculations for  
Uttam Galva

Comment 14: Correction of a Ministerial Error in the Calculations for JSW

Comment 15: Whether Commerce Should Apply the Cash-Flow Method in  
Determining when the Benefits Are Received

VIII. Conclusion

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