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DEPARTMENT OF COMMERCE

International Trade Administration

[A-533-887]

Carbon and Alloy Steel Threaded Rod from India: Final Affirmative Determination of Sales at Less Than Fair Value

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

SUMMARY: The Department of Commerce (Commerce) determines that carbon and alloy steel threaded rod (steel threaded rod) from India is being, or is likely to be, sold in the United States at less than fair value (LTFV).

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

FOR FURTHER INFORMATION CONTACT: Annathea Cook or Jerry Huang, 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) 482-0250 or (202) 482-4047, respectively.

SUPPLEMENTARY INFORMATION:

Background

On September 25, 2019, Commerce published the *Preliminary Determination* in this LTFV investigation.¹ On January 9, 2020, we issued a Post-Preliminary Determination with

¹ See *Carbon and Alloy Steel Threaded Rod from India: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of provisional Measures*, 84 FR 50376 (September 25, 2019) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

respect to the petitioner's particular market situation allegation.² We invited interested parties to comment on the *Preliminary Determination* and Post-Preliminary Determination. A summary of the events that occurred since Commerce published the *Preliminary Determination*, as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum.³

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 register users at <http://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be access directly at <http://enforcement.trade.gov>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Period of Investigation

The period of investigation is January 1, 2018 through December 31, 2018.

Scope of the Investigation

The products covered by this investigation are steel threaded rods from India. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

During the course of this investigation and the concurrent countervailing duty (CVD) investigation of steel threaded rod from India, the concurrent antidumping duty (AD) and CVD

² See Memorandum, "Antidumping Duty Investigation of Carbon and Alloy Steel Threaded Rod from India: Decision on Particular Market Situation Allegation," dated January 9, 2020 (Post-Preliminary Determination).

³ See Memorandum, "Issues and Decision Memorandum for the Final Determination in the Less-Than-Fair-Value Investigation of Carbon and Alloy Steel Threaded Rod from India," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

investigations of steel threaded rod from the People’s Republic of China, and the concurrent AD investigations of steel threaded rod from Taiwan and Thailand, certain interested parties commented on the scope of the investigations as it appeared in the *Initiation Notices*.⁴

On July 22, 2019, we issued a Preliminary Scope Memorandum.⁵ Interested parties’ scope-related case briefs were due on August 28, 2019.⁶ Because we did not receive any comments on the Preliminary Scope Memorandum, we are adopting the proposed scope language in this final determination, *see* Appendix I.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs submitted by interested parties in this investigation are addressed in the Issues and Decision Memorandum. For a list of these issues, *see* Appendix II.

Verification

Between October and December 2019, we conducted verification of the sales and cost of production data reported by the participating respondent in this investigation, Mangal Steel Enterprises (Mangal), as well as the sales data reported by Mangal’s U.S. affiliate, North American Steel Connection, in accordance with section 783(i) of Tariff Act of 1930, as amended (the Act).⁷

⁴ *See Carbon and Alloy Steel Threaded Rod from India, Taiwan, Thailand, and the People’s Republic of China: Initiation of Less-Than-Fair-Value Investigations*, 84 FR 10034 (March 19, 2019); *Carbon and Alloy Steel Threaded Rod from India and the People’s Republic of China: Initiation of Countervailing Duty Investigations*, 84 FR 10040 (March 19, 2019) (collectively, *Initiation Notices*).

⁵ *See* Memorandum, “Carbon and Alloy Steel Threaded Rod from India, Taiwan, Thailand, and the People’s Republic of China: Scope Comments Decision Memorandum for the Preliminary Determinations,” dated July 22, 2019.

⁶ *See* Preliminary Scope Decision Memorandum at 3.

⁷ *See* Memorandum, “Verification of Cost Response of Mangal Steel Enterprises Ltd. in the Antidumping Duty Investigation of Carbon and Alloy Steel Threaded Rod from India,” dated December 10, 2019; Memorandum, “Verification of the Sales Response of Mangal Steel Enterprise Limited in the Antidumping Duty Investigation of Carbon and Alloy Steel Threaded Rod from India,” dated January 3, 2020; and Memorandum, “Verification of the

Changes Since the Preliminary Determination

Based on our analysis of the comments received and our findings at verification, we made certain changes to the margin calculations for Mangal since the *Preliminary Determination*. For a discussion of these changes, *see* the Issues and Decision Memorandum.

Additionally, for purposes of this final determination, Commerce determined Daksh Fasteners' margin on the basis of adverse facts available (AFA), pursuant to sections 776(a)(2)(A)-(C) and 776(b) of the Act. For further information, *see* the Issues and Decision Memorandum.

All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated weighted-average dumping margin for all other producers and exporters not individually investigated shall be equal to the weighted average of the estimated weighted-average dumping margins established for individually investigated exporters and producers, excluding any margins that are zero, *de minimis*, or determined entirely under section 776 of the Act. Because the final rate determined for Daksh Fasteners is based entirely on AFA, we based the all-others rate on the rate calculated for Mangal.

Constructed Export Price (CEP) Sales Response of North American Steel Connection in the Antidumping Duty Investigation of Carbon and Alloy Steel Threaded Rod from India," dated January 3, 2020.

Final Determination

Commerce determines that the weighted-average dumping margins are as follows:

Exporter/Producer	Estimated Weighted-Average Dumping Margin (percent)	Cash Deposit Rate (Adjusted for Export Subsidy Offset(s))⁸ (percent)
Daksh Fasteners ⁹	28.34	22.86
Mangal Steel Enterprise Limited	2.47	0.00
All Others	2.47	0.00

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, Commerce will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all appropriate entries of steel threaded rod from India, as described in Appendix I of this notice, which are entered or withdrawn from warehouse for consumption on or after September 25, 2019, the date of publication in the *Federal Register* of the affirmative *Preliminary Determination*.

Pursuant to section 735(c)(1)(B)(ii) of the Act and 19 CFR 351.210(d), we will instruct CBP to require a cash deposit for entries of subject merchandise equal to the estimated weighted-average dumping margin as follows: (1) the cash deposit rate for the respondents listed above will be equal to the company-specific estimated weighted-average dumping margins determined in this final determination; (2) if the exporter is not a respondent identified above, but the

⁸ As noted in the “Continuation of Suspension of Liquidation” section, we are adjusting the cash deposit rates to take into account the export subsidy rates found in the companion CVD investigation. Specifically, for Mangal and all others, we adjusted the cash deposit rates by the export contingent subsidy rate calculated for Mangal in that investigation (*i.e.*, 5.48 percent). We also adjusted the cash deposit rate for Daksh Fasteners by the export contingent subsidy rate for Mangal, because it is the lowest export subsidy rate determined for any party in the companion CVD proceeding.

⁹ As explained in the Issues and Decision Memorandum, this company is receiving a rate based on total AFA because it did not respond to our AD questionnaire.

producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be equal to the all-others estimated weighted-average dumping margin, *i.e.*, 2.47 percent. These suspension of liquidation instructions will remain in effect until further notice.

In the event that a CVD order is issued, and suspension of liquidation is resumed in the companion CVD investigation on steel threaded rod from India, Commerce will instruct CBP to require cash deposits adjusted by the amount of export subsidies, as appropriate. These adjustments are reflected in the final column of the rate chart above. Until such suspension of liquidation is resumed in the companion CVD investigation, and so long as suspension of liquidation continues under this AD investigation, the cash deposit rates for this AD investigation will be the rates identified in the estimated weighted-average dumping margin column in the rate chart above.

Disclosure

Commerce will disclose to interested parties the calculations performed in connection with a final determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of the notice of final determination in the *Federal Register*, in accordance with 19 CFR 351.224(b).

International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the U.S. International Trade Commission (ITC) of the final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States

is materially injured, or threatened with material injury, by reason of imports of steel threaded rod from India no later than 45 days after this final determination. If the ITC determines that material injury, or threat of material injury, does not exist, the proceeding will be terminated, and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue an AD duty order directing CBP to assess, upon further instruction by Commerce, AD duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Notification Regarding Administrative Protective Order

This notice serves as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely 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 the terms of an APO is a sanctionable violation.

Notification to Interested Parties

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act, and 19 CFR 351.210(c).

Dated: February 7, 2020.

Jeffrey I. Kessler,

Assistant Secretary

for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by the scope of this investigation is carbon and alloy steel threaded rod. Steel threaded rod is certain threaded rod, bar, or studs, of carbon or alloy steel, having a solid, circular cross section of any diameter, in any straight length. Steel threaded rod is normally drawn, cold-rolled, threaded, and straightened, or it may be hot-rolled. In addition, the steel threaded rod, bar, or studs subject to these investigations are non-headed and threaded along greater than 25 percent of their total actual length. A variety of finishes or coatings, such as plain oil finish as a temporary rust protectant, zinc coating (*i.e.*, galvanized, whether by electroplating or hot-dipping), paint, and other similar finishes and coatings, may be applied to the merchandise.

Steel threaded rod is normally produced to American Society for Testing and Materials (ASTM) specifications ASTM A36, ASTM A193 B7/B7m, ASTM A193 B16, ASTM A307, ASTM A320 L7/L7M, ASTM A320 L43, ASTM A354 BC and BD, ASTM A449, ASTM F1554-36, ASTM F1554-55, ASTM F1554 Grade 105, American Society of Mechanical Engineers (ASME) specification ASME B18.31.3, and American Petroleum Institute (API) specification API 20E. All steel threaded rod meeting the physical description set forth above is covered by the scope of these investigations, whether or not produced according to a particular standard. Subject merchandise includes material matching the above description that has been finished, assembled, or packaged in a third country, including by cutting, chamfering, coating, or painting the threaded rod, by attaching the threaded rod to, or packaging it with, another product, or any other finishing, assembly, or packaging operation that would not otherwise remove the

merchandise from the scope of the investigation if performed in the country of manufacture of the threaded rod.

Carbon and alloy steel threaded rod are also included in the scope of the investigation whether or not imported attached to, or in conjunction with, other parts and accessories such as nuts and washers. If carbon and alloy steel threaded rod are imported attached to, or in conjunction with, such non-subject merchandise, only the threaded rod is included in the scope.

Excluded from the scope of the investigation are: (1) threaded rod, bar, or studs which are threaded only on one or both ends and the threading covers 25 percent or less of the total actual length; and (2) stainless steel threaded rod, defined as steel threaded rod containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements.

Specifically excluded from the scope of the investigation is threaded rod that is imported as part of a package of hardware in conjunction with a ready-to-assemble piece of furniture.

Steel threaded rod is currently classifiable under subheadings 7318.15.5051, 7318.15.5056, and 7318.15.5090 of the Harmonized Tariff Schedule of the United States (HTSUS). Subject merchandise may also enter under subheading 7318.15.2095 and 7318.19.0000 of the HTSUS. The HTSUS subheadings are provided for convenience and U.S. Customs purposes only. The written description of the scope is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Investigation
- IV. Margin Calculations
- V. Discussion of the Issues
 - Comment 1: Calculation of Constructed Value Profit and Selling Expense Ratios
 - Comment 2: Excluded Electricity Costs
 - Comment 3: Mangal Steel Enterprise's General and Administrative Expenses
 - Comment 4: Adverse Facts Available for Daksh Fasteners
- VI. Recommendation

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