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DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-874]

Certain Cold-Drawn Mechanical Tubing of Carbon and Alloy Steel from India: Preliminary Results of Countervailing Duty Administrative Review, 2017-2018

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

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that Goodluck India Limited (Goodluck) and Tube Investments of India Ltd. (TII) received countervailable subsidies during the period of review (POR), September 25, 2017 through December 31, 2018. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Hannah Falvey or Genevieve Coen, 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) 482-4889 and (202) 482-3251, respectively.

SUPPLEMENTARY INFORMATION:

Background

On May 2, 2019, Commerce published a notice of initiation of an administrative review of the countervailing duty (CVD) order on certain cold-drawn mechanical tubing (CDMT) from

India.¹ On October 8, 2019, Commerce extended the deadline for issuing the preliminary results of this review.² The revised deadline for these preliminary results is now February 28, 2020.

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.³ A list of topics discussed in the Preliminary Decision Memorandum is included at the appendix 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 Service System (ACCESS). ACCESS is available to registered 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 Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

Scope of the Order

The merchandise covered by the order is certain cold-drawn mechanical tubing. For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this 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 preliminarily determine that there is a subsidy, *i.e.*, a government-provided financial contribution

¹ *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 18777, 18792 (May 2, 2019).

² *See* Memorandum, "Certain Cold-Drawn Mechanical Tubing of Carbon and Alloy Steel from India: Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review," dated October 8, 2019.

³ *See* Memorandum, "Preliminary Results of Antidumping Duty Administrative Review: Certain Cold-Drawn Mechanical Tubing of Carbon and Alloy Steel from India, 2017 - 2018," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

that gives rise to a benefit to the recipient, and that the subsidy is specific.⁴ For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

Preliminary Results of Review

In accordance with 19 CFR 351.525, we calculated individual subsidy rates for Goodluck and TII. For the period September 25, 2017 through December 31, 2018, we preliminarily determine that the following net subsidy rates exist:

Company	2017 Subsidy Rate (percent <i>ad valorem</i>)	2018 Subsidy Rate (percent <i>ad valorem</i>)
Goodluck India Limited	5.86	5.21
Tube Investments of India Ltd.	4.27	5.17

Assessment Rate

Consistent with section 751(a)(2)(C) of the Act, upon issuance of the final results, Commerce shall determine, and Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. We intend to issue instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Rate

Pursuant to section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amount indicated 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. These cash deposit instructions, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

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.

We will disclose to parties to this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of these preliminary results.⁵ Interested parties may submit written comments (case briefs) within 30 days of publication of the preliminary results and rebuttal comments (rebuttal briefs) within five days after the time limit for filing case briefs.⁶ Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.⁷

Interested parties who wish to request a hearing must do so within 30 days of publication of these preliminary results by submitting a written request to the Assistant Secretary for Enforcement and Compliance using Enforcement and Compliance's ACCESS system.⁸ Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, Commerce will inform parties of the scheduled date of the hearing which will be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, at a time and date to be determined.⁹ Issues addressed during the hearing will be limited to those raised in the briefs.¹⁰ Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Parties are reminded that all briefs and hearing requests must be filed electronically using ACCESS and received successfully in their entirety by 5:00 p.m. Eastern Time on the due date.

⁵ See 19 CFR 351.224(b).

⁶ See 19 CFR 351.309(c)(1)(ii) and 351.309(d)(1).

⁷ See 19 CFR 351.309(c)(2) and 351.309(d)(2).

⁸ See 19 CFR 351.310(c).

⁹ See 19 CFR 351.310.

¹⁰ See 19 CFR 351.310(c).

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, Commerce intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, within 120 days after publication of these preliminary results.

Notification to Interested Parties

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213.

Dated: February 28, 2020.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Period of Review
- V. Use of Facts Otherwise Available and Application of Adverse Inferences
- VI. Subsidies Valuation Information
- VII. Benchmarks and Discount Rates
- VIII. Analysis of Programs
- IX. Recommendation

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