



DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-878]

Stainless Steel Flanges from India: Preliminary Results of Countervailing Duty

Administrative Review; 2018

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

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of stainless steel flanges (steel flanges) from India during the period of review, January 23, 2018, 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: Eliza Siordia, 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) 482-3878.

SUPPLEMENTARY INFORMATION:

Background

On December 11, 2019, Commerce published a notice of initiation of an administrative review of the countervailing duty order on steel flanges from India.¹ On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.² On July 21, 2020, Commerce tolled all deadlines in administrative reviews by an additional 60 days.³ On October

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 67712 (December 11, 2019), as corrected by *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 3014 (January 17, 2020).

² See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19,” dated April 24, 2020.

³ See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews,” dated July 21, 2020.

1, 2020, Commerce extended the deadline for issuing the preliminary results of this review.⁴ The revised deadline for these preliminary results is now February 17, 2021.

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁵ A list of topics discussed in the Preliminary Decision Memorandum is included at 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 Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. 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 products covered by the order are stainless steel flanges from India. 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 financial contribution that gives rise to a benefit to the recipient, and the subsidy is specific.⁶ For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

Companies Not Selected for Individual Review

⁴ *See* Memorandum, "Stainless Steel Flanges from India: Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review, 2018," dated October 1, 2020.

⁵ *See* Memorandum, "Decision Memorandum for the Preliminary Results of Countervailing Duty Administrative Review: Stainless Steel Flanges from India, 2018," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁶ *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.

For the companies not selected for individual review, because the rates calculated for Chandan Steel Limited (Chandan) and Kisaan Die Tech Pvt Ltd. (Kisaan) were above *de minimis* and not based entirely on facts available, we applied a subsidy rate based on a weighted-average of the subsidy rates calculated for Chandan and Kisaan using publicly-ranged sales data submitted by respondents.⁷

Preliminary Results of Review

For the period January 23, 2018, through December 31, 2018, we preliminarily find that the following net subsidy rates exist:

Company	Subsidy Rate (percent <i>ad valorem</i>)
Chandan Steel Limited	4.15
Kisaan Die Tech Pvt Ltd.	4.51
Non-Selected Companies Under Review ⁸	4.22

Assessment Rate

Consistent with section 751(a)(2)(C) of the Act, upon issuance of the final results, 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*. 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 Rate

⁷ See Memorandum, “Calculation of Subsidy Rate for Non-Selected Companies Under Review,” dated February 17, 2021.

⁸ See Appendix II for a list of the companies not selected for individual examination.

Pursuant to section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts 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. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit instructions, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

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.⁹ Interested parties may submit written comments (case briefs) within 30 days of publication of the preliminary results. Rebuttal comments (rebuttal briefs), limited to issues raised in case briefs, are due within seven days after the time limit for filing case briefs.¹⁰ 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.¹¹ Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.¹²

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.¹³ 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. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal

⁹ See 19 CFR 351.224(b).

¹⁰ See 19 CFR 351.309(c)(1)(ii) and 351.309(d)(1); see also *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020) (*Temporary Rule*).

¹¹ See 19 CFR 351.309(c)(2) and 351.309(d)(2).

¹² See *Temporary Rule*.

¹³ See 19 CFR 351.310(c).

briefs.¹⁴ If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm the date and time 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.

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 issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213.

Dated: February 17, 2021

Christian Marsh,

Acting Assistant Secretary

for Enforcement and Compliance.

¹⁴ See 19 CFR 351.310.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

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

Appendix II

List of Non-Selected Companies

Arien Global
Armstrong International Pvt. Ltd.
Avinimetal
Balkrishna Steel Forge Pvt. Ltd.
Bebitz Flanges Works Private Limited also known as Bebitz Flanges Works
Bee Gee Enterprises
Bsl Freight Solutions Pvt., Ltd.
CD Industries (Prop. Kisaan Engineering Works Pvt. Ltd).
Cipriani Harrison Valves Pvt. Ltd.
CTL Logistics (India) Pvt. Ltd.
Echjay Forgings Private Limited
Fivebros Forgings Pvt. Ltd.
Fluid Controls Pvt. Ltd.
Geodis Oversea Pvt., Ltd.
Globelink WW India Pvt., Ltd.
Goodluck India Ltd.
Hilton Metal Forging Limited
Jai Auto Pvt. Ltd.
JAY JAGDAMBA FORGINGS PRIVATE LIMITED
Jay Jagdamba Ltd.
JAY JAGDAMBA LIMITED
JAY JAGDAMBA PROFILE PRIVATE LIMITED
Kunj Forgings Pvt. Ltd.
Montane Shipping Pvt., Ltd.
Noble Shipping Pvt. Ltd.
Paramount Forge
Pashupati Tradex Pvt., Ltd.
Peekay Steel Castings Pvt. Ltd.
Pradeep Metals Limited
Pradeep Metals Ltd.
R D Forge Pvt., Ltd.
Rolex Fittings India Pvt. Ltd.
Rollwell Forge Pvt. Ltd.
Safewater Lines (I) Pvt. Ltd.
Saini Flange Pvt. Ltd.
SAR Transport Systems
Shilpan Steelcast Pvt. Ltd.
SHREE JAY JAGDAMBA FLANGES PRIVATE LIMITED
Shree Jay Jagdamba Flanges Pvt. Ltd.
Teamglobal Logistics Pvt. Ltd.
Technical Products Corporation
Technocraft Industries India Ltd.
Transworld Global
VEEYES Engineering Pvt. Ltd.
Vishal Shipping Agencies Pvt. Ltd.
Yusen Logistics (India) Pvt. Ltd.