



## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-533-884]

### Glycine from India: Preliminary Results of Countervailing Duty Administrative Review and Rescission, in Part; 2021

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

**SUMMARY:** The U.S. Department of Commerce (Commerce) preliminarily finds that countervailable subsidies are being provided to producers and exporters of glycine from India during the period of review, January 1, 2021, through December 31, 2021. Interested parties are invited to comment on these preliminary results.

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

**FOR FURTHER INFORMATION CONTACT:** Scarlet Jaldin or Harrison Tanchuck, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4275 or (202) 482-7421, respectively.

### SUPPLEMENTARY INFORMATION:

#### Background

On June 21, 2019, Commerce published the countervailing duty order on glycine from India.<sup>1</sup> On June 3, 2022, Commerce published in the *Federal Register* a notice of initiation of an administrative review of the *Order*.<sup>2</sup> Between June 27 and 30, 2022, Commerce received timely requests for administrative reviews of several companies from various interested parties, in

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<sup>1</sup> See *Glycine from India and the People's Republic of China: Countervailing Duty Orders*, 84 FR 29173 (June 21, 2019) (*Order*).

<sup>2</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 87 FR 48459, 48463 (August 9, 2022) (*Initiation Notice*).

accordance with section 751(a)(1) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.213(b)(1).<sup>3</sup> On August 9, 2022, based on these timely requests for review, in accordance with 19 CFR 351.221(c)(1)(i), Commerce published in the *Federal Register* a notice of initiation of the *Order* covering five producers/exporters.<sup>4</sup> On September 23, 2022, Paras withdrew its request for review of itself.<sup>5</sup> On November 7, 2022, Avid timely withdrew its request for review of itself<sup>6</sup> and the petitioner timely withdrew its request for an administrative review of Avid.<sup>7</sup> On November 9, 2022, Commerce notified interested parties of its intent to rescind the review, in part, with respect to Avid.<sup>8</sup> On February 27, 2023, Commerce extended the time period for issuing these preliminary results by 119 days, in accordance with section 751(a)(3)(A) of the Act, to no later than June 29, 2023.<sup>9</sup>

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.<sup>10</sup> A list of topics discussed in the Preliminary Decision Memorandum is included as an 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 <https://access.trade.gov>. In addition, a complete

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<sup>3</sup> *See* Kumar Industries, India's (Kumar) Letter, "Request for Administrative Review of Countervailing Duty," dated June 27, 2022; *see also* Paras Intermediates Private Limited's (Paras) Letter, "Request for Countervailing Duty Administrative Review," dated June 28, 2022; Avid Organics Private Limited's (Avid) Letter, "Request for Countervailing Duty Administrative Review," dated June 28, 2022; and GEO Specialty Chemicals, Inc.'s (the petitioner) Letter, "Request for Administrative Review," dated June 30, 2022.

<sup>4</sup> *See Initiation Notice*, 87 FR at 48463.

<sup>5</sup> *See* Paras' Letter, "Withdrawal of Review Request for Countervailing Duty Administrative Review," dated September 23, 2022 (Paras Withdrawal of Review Request).

<sup>6</sup> *See* Avid's Letter, "Withdrawal of Review Request for Countervailing Duty Administrative Review," dated November 7, 2022 (Avid Withdrawal of Review Request).

<sup>7</sup> *See* Petitioner's Letter, "Partial Withdrawal of Request for Administrative Review," dated November 7, 2022 (Petitioner Withdrawal of Review Request).

<sup>8</sup> *See* Memorandum, "Notice of Intent to Rescind Review, In Part," dated November 9, 2022.

<sup>9</sup> *See* Memorandum, "Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review," dated February 27, 2023.

<sup>10</sup> *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Administrative Review of the Countervailing Duty Order on Glycine from India; 2021," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

version of the Preliminary Decision Memorandum can be accessed directly at

<https://access.trade.gov/public/FRNoticesListLayout.aspx>.

### Rescission of Administrative Review, in Part

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if the parties that requested a review withdraw the request within 90 days of the date of publication of the notice of initiation. Commerce received timely-filed letters withdrawing the requests from Avid, Paras, and the petitioner, pursuant to 19 CFR 351.213(d)(1).<sup>11</sup> Because the withdrawal letters were timely filed, and no other party requested a review of the companies listed in the withdrawal letters, in accordance with 19 CFR 351.213(d)(1), Commerce is rescinding this review of the *Order* with respect to Avid and Paras.

### Scope of the *Order*

The merchandise covered by the *Order* is glycine 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 Act. For each of the subsidy programs found to be countervailable, we preliminarily find that there is a subsidy, *i.e.*, a financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.<sup>12</sup> For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum.

### Companies Not Selected for Individual Review

There are two companies for which a review was requested and not rescinded, and which were not selected as mandatory respondents or found to be cross-owned with the mandatory respondent (Kumar): Rudraa International; and Rexusize Rasayan Industries. The Act and

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<sup>11</sup> See Avid Withdrawal of Review Request; see also Petitioner Withdrawal of Review Request; and Paras Withdrawal of Review Request.

<sup>12</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.

Commerce’s regulations do not directly address the subsidy rate to be applied to companies not selected for individual examination where Commerce limits its examination in an administrative review pursuant to section 777A(e)(2) of the Act. However, Commerce normally determines the rates for non-selected companies in reviews in a manner that is consistent with section 705(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation.

Section 777A(e)(2) of the Act provides that “the individual countervailable subsidy rates determined under subparagraph (A) shall be used to determine the all-others rate under section 705(c)(5) {of the Act}.” Section 705(c)(5)(A) of the Act articulates a preference that we are not to calculate an all-others rate using rates which are zero, *de minimis*, or based entirely on facts available. Accordingly, Commerce’s usual practice in determining the rate for non-examined respondents has been to weight-average the net subsidy rates for the selected companies, excluding rates that are zero, *de minimis*, or based entirely on facts available.<sup>13</sup>

For these preliminary results, Kumar is the sole mandatory respondent with a calculated rate above *de minimis* that is not based entirely on facts available. Therefore, we are preliminarily assigning Kumar’s net countervailable subsidy rate to the two remaining, non-examined companies, for which an individual rate was not calculated: Rudraa International; and Rexisize Rasayan Industries.

#### Preliminary Results of Review

For the period January 1, 2021, through December 31, 2021, we preliminarily find that the following net subsidy rates exist:

<b>Company</b>	<b>Subsidy Rate (percent <i>ad valorem</i>)</b>
Kumar Industries, India <sup>14</sup>	6.03
Rudraa International	6.03
Rexisize Rasayan Industries	6.03

<sup>13</sup> See, e.g., *Certain Pasta from Italy: Final Results of the 13<sup>th</sup> (2008) Countervailing Duty Administrative Review*, 75 FR 37387 (June 29, 2010).

<sup>14</sup> In this review, Commerce found the following company to be cross-owned with Kumar: Advance Chemical Corporation. See Preliminary Decision Memorandum; see also Memorandum, “Preliminary Results Calculation Memorandum for Kumar Industries, India,” dated concurrently with this notice.

### Assessment Rate

Consistent with section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(2), 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. For companies for which this review is rescinded, Commerce will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption during period January 1, 2021, through December 31, 2021, in accordance with 19 CFR 351.212(c)(1)(i). For the companies remaining in the 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 Requirements

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

## Disclosure

Commerce intends to 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, in accordance with 19 CFR 351.224(b).

## Public Comment

Case briefs or other written documents may be submitted to the Assistant Secretary for Enforcement and Compliance no later than 30 days after the date of publication of this *Federal Register* notice. Rebuttal briefs, limited to issues raised in case briefs, may be submitted within seven days after the time limit for filing case briefs.<sup>15</sup> Pursuant to 19 CFR 351.309(c)(2) and 19 CFR 351.309(d)(2), parties which submit arguments are requested to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>16</sup> Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.<sup>17</sup>

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must do so within 30 days of publication of this notice by submitting a written request to the Assistant Secretary for Enforcement and Compliance.<sup>18</sup> Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants and whether a participant is a foreign national; and (3) a list of the issues to be discussed. 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 by telephone the date and time of the hearing two days before the scheduled date.

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<sup>15</sup> See 19 CFR 351.309(c)(1)(ii) and 351.309(d)(1); see also 19 CFR 351.303 (for general filing requirements).

<sup>16</sup> See 19 CFR 351.309(c)(2) and 351.309(d)(2).

<sup>17</sup> See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

<sup>18</sup> See 19 CFR 351.310(c).

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

Unless the deadline is extended, 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, no later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1).

Notification to Interested Parties

These preliminary results 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 and 19 CFR 351.221(b)(4).

Dated: June 26, 2023.

James Maeder,  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations.

## Appendix

### List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Review
- IV. Scope of the *Order*
- V. Rescission of Administrative Review, In Part
- VI. Rate for Non-Examined Companies
- VII. Subsidies Valuation Information
- VIII. Benchmarks and Interest Rates
- IX. Analysis of Programs
- X. Recommendation

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