



DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-839]

Carbazole Violet Pigment 23 from India: Preliminary Results of Countervailing Duty Administrative Review; 2022

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that
countervailable subsidies are being provided to producers and exporters of carbazole violet
pigment 23 (CVP-23) from India. The period of review (POR) is January 1, 2022, through
December 31, 2022. Interested parties are invited to comment on these preliminary results.

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

FOR FURTHER INFORMATION CONTACT: Brian Warnes, AD/CVD Operations, Office
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Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-
0028.

SUPPLEMENTARY INFORMATION:

Background

On November 17, 2004, Commerce published the countervailing duty (CVD) order on
CVP-23 from India.¹ On February 8, 2024, Commerce published in the *Federal Register* a
notice of initiation of an administrative review of the *Order*.² On July 22, 2024, Commerce
tollled certain deadlines in this administrative proceeding by seven days.³ On August 7, 2024,

¹ See *Final Affirmative Countervailing Duty Determination: Carbazole Violet Pigment 23 From India*, 69 FR 67321
(November 17, 2004) (*Order*).

² See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 89 FR 8641 February 8, 2024).

³ See Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Proceedings,” dated July 26,
2024.

Commerce extended the deadline for the preliminary results until December 13, 2024.⁴ On December 2, 2024, Commerce extended the deadline for the preliminary results until January 6, 2025.⁵ On December 9, 2024, Commerce tolled certain deadlines in this administrative proceeding by 90 days.⁶ The current deadline for the preliminary results in this administrative review is April 7, 2025.

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁷ A list of topics included 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 version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the *Order*

The merchandise covered by this *Order* is CVP-23 from India. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this CVD 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, Commerce preliminarily determines 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

⁴ See Memorandum, “Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review,” dated August 7, 2024.

⁵ See Memorandum, “Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review,” dated December 2, 2024.

⁶ See Memorandum, “Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review,” dated December 9, 2024.

⁷ See Memorandum, “Decision Memorandum for Preliminary Results of the Administrative Review of the Countervailing Duty Order on Carbazole Violet Pigment 23 from India; 2022,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

subsidy is specific.⁸ For a full description of the methodology underlying our preliminary conclusions, including our reliance, in part on adverse facts available pursuant to sections 776(a) and (b) of the Act, *see* the Preliminary Decision Memorandum.

Companies Not Selected for Individual Examination

The Act and Commerce's regulations do not address the establishment of a rate to apply to companies not selected for individual examination when Commerce limits its examination to 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) states that for companies not investigated, in general, we will determine an all-others rate by weight averaging the countervailable subsidy rates established for each of the companies individually investigated, excluding zero and *de minimis* rates or any rates based solely on the facts available.

Accordingly, to determine the rate for companies not selected for individual examination, Commerce's practice is to weight average the net subsidy rates for the selected mandatory respondents, excluding rates that are zero, *de minimis*, or based entirely on facts available.⁹ We preliminarily find that Gharda Chemicals, Ltd. (Gharda) and Meghmani Pigments (Meghmani) received countervailable subsidies at above *de minimis* rates and not based entirely on facts available. Commerce calculated the rate assigned to the companies under review that were not selected for individual examination using a simple average of the individual estimated subsidy rates calculated for the examined respondents.¹⁰

⁸ *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).

⁹ *See, e.g., Certain Pasta from Italy: Final Results of the 13th (2008) Countervailing Duty Administrative Review*, 75 FR 37386, 37387 (June 29, 2010).

¹⁰ With two respondents under examination, Commerce normally calculates: (A) a weighted-average of the

Preliminary Results of Review

As a result of this review, we preliminarily determine the following net countervailable subsidy rate for the period January 1, 2022, through December 31, 2022:

Company	Subsidy Rate (percent <i>ad valorem</i>)
Gharda Chemicals, Ltd. ¹¹	3.36
Meghmani Pigments ¹²	8.70
Navapd Pigments Pvt. Ltd.	6.03

Disclosure and Public Comment

Commerce intends to disclose its calculations and analysis performed in connection with these preliminary results to interested parties within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in the *Federal Register*, in accordance with 19 CFR 351.224(b).

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance. Pursuant to 19 CFR 351.309(c)(1)(ii), we have modified the deadline for interested parties to submit case briefs to Commerce to no later than 21 days after the date of the publication of this notice.¹³ Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date of filing case briefs.¹⁴ Interested parties who submit case briefs or rebuttal briefs in this proceeding must submit: (1) a table of contents

estimated subsidy rates calculated for the examined respondents; (B) a simple average of the estimated subsidy rates calculated for the examined respondents; and (C) a weighted-average of the estimated subsidy rates calculated for the examined respondents using each company's publicly-ranged U.S. sales values for the merchandise under consideration. Commerce then compares (B) and (C) to (A) and selects the rate closest to (A) as the most appropriate rate for all other producers and exporters. See, e.g., *Ball Bearings and Parts Thereof from France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53662 (September 1, 2010), and accompanying Issues and Decision Memorandum at Comment 1. As complete publicly-ranged sales data were not available, Commerce based the all-others rate on a simple average of the mandatory respondents' estimated subsidy rates.

¹¹ As discussed in the Preliminary Decision Memorandum, Commerce has found the following companies to be cross-owned with Gharda: Gujarat Insecticides Ltd.

¹² As discussed in the Preliminary Decision Memorandum, Commerce has found the following companies to be cross-owned with Meghmani: Meghmani LLP.

¹³ See 19 CFR 351.309.

¹⁴ See 19 CFR 351.309(d); see also *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069, 67077 (September 29, 2023) (*APO and Service Procedures*).

listing each issue; and (2) a table of authorities.¹⁵ All briefs must be filed electronically using ACCESS.¹⁶ An electronically filed document must be received successfully in its entirety in ACCESS by 5:00 p.m. Eastern Time on the established deadline.

As provided under 19 CFR 351.309(c)(2) and (d)(2), in prior proceedings we have encouraged interested parties to provide an executive summary of their brief that should be limited to five pages total, including footnotes. In this review, we instead request that parties provide at the beginning of their briefs a public, executive summary for each issue raised in their briefs.¹⁷ Further, we request that interested parties limit their public executive summary of each issue to no more than 450 words, not including citations. We intend to use the public executive summaries as the basis of the comment summaries included in the issues and decision memorandum that will accompany the final determination in this investigation. We request that interested parties include footnotes for relevant citations in the public executive summary of each issue. Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).¹⁸

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 submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain 1) the party's name, address, and telephone number; 2) the number of participants and whether any 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, time, and location of the hearing two days before the scheduled date of the hearing.

¹⁵ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁶ See 19 CFR 351.303 (for general filing requirements).

¹⁷ We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

¹⁸ See *APO and Service Final Rule*.

Final Results

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(2), Commerce intends to issue the final results of this administrative review, including the results of its analysis of the issues raised by parties in their comments, within 120 days after the date of publication of these preliminary results.

Assessment Rates

Consistent with section 751(a)(1) of the Act and 19 CFR 351.212(b)(2), upon issuance of the final results, Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. We intend to issue 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 injection has expired (*i.e.*, within 90 days of publication).

Cash Deposit Requirements

In accordance with section 751(a)(2)(C) of the Act, Commerce also intends, upon publication of the final results, to instruct CBP to collect cash deposits of estimated countervailing duties in the amount shown for the company listed 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, CBP will 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 requirements, when imposed, shall remain in effect until further notice.

Notification to Interested Parties

We are issuing and publishing these preliminary results in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: April 7, 2025.

Christopher Abbott,

Deputy Assistant Secretary

for Policy and Negotiations,

performing the non-exclusive functions and duties

of the Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

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

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