: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-939]

Oleoresin Paprika from India: Final Affirmative Countervailing Duty Determination and Final Affirmative Critical Circumstances Determination, in Part

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers and exporters of oleoresin paprika from India. The period of investigation is April 1, 2024, through March 31, 2025.

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

FOR FURTHER INFORMATION CONTACT: Charles Doss or Kate Fracke, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4474 or (202) 482-3299, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 6, 2026, Commerce published its *Preliminary Determination* in the *Federal Register*.[1] In the *Preliminary Determination*, and in accordance with section 705(a)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.210(b)(4), Commerce aligned the final determination of this countervailing duty (CVD) investigation with the final determination in the companion antidumping duty investigation of oleoresin paprika from India.[2]

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[1] *See Oleoresin Paprika from India: Preliminary Affirmative Countervailing Duty Determination, Preliminary Affirmative Critical Circumstances Determination, In Part, and Alignment of Final Determination with Final Antidumping Duty Determination*, 91 FR 5427 (February 6, 2026) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.
[2] *Id.*, 91 FR at 5428.

For a complete description of the events that followed the *Preliminary Determination*, *see* the Issues and Decision Memorandum.[3] The Issues and Decision Memorandum is a public document and is on file electronically via ACCESS, which is available to registered users at https://access.trade.gov. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at https://access.trade.gov/frnotices.

Scope of the Investigation

The product covered by this investigation is oleoresin paprika from India. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

We received no comments from interested parties on the scope of the investigation as it appeared in the *Preliminary Determination*. Therefore, we made no changes to the scope of the investigation from that published in the *Preliminary Determination* for the final determination.

Verification

As provided in section 782(i) of the Act, in April 2026, Commerce conducted verification of the subsidy information reported by Mane Kancor Ingredients Private Limited (Mane Kancor) and Synthite Industries Pvt. Ltd (Synthite).[4] We conducted the verifications using standard verification procedures, including an examination of relevant sales and accounting records, and original source documents.

Final Affirmative Determination of Critical Circumstances, In Part

In the *Preliminary Determination*, in accordance with section 703(e) of the Act, Commerce found that critical circumstances do not exist for Mane Kancor and all other producers or exporters of oleoresin paprika from India, except for Synthite, for which Commerce found that critical circumstances exist. In this final determination, Commerce has continued to

[3] *See* Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination of the Countervailing Duty Investigation of Oleoresin Paprika from India," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).
[4] *See* Memoranda, "Verification of the Questionnaire Responses of Synthite Industries Pvt. Ltd," dated June 29, 2026; and "Verification of the Questionnaire Responses of Mane Kancor Ingredients Private Limited," dated June 29, 2026.

find that critical circumstances do not exist for Mane Kancor and all other producers or exporters of oleoresin paprika from India, except for Synthite, for which critical circumstances exist, pursuant to section 705(a)(3) of the Act and 19 CFR 351.206. For a discussion of Commerce's critical circumstances analysis, *see* the Issues and Decision Memorandum.

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation, and the issues raised in the case and rebuttal briefs that were submitted by interested parties in this investigation are addressed in the Issues and Decision Memorandum. For the list of the issues raised by parties, and to which we responded in the Issues and Decision Memorandum, *see* Appendix II to this notice.

Methodology

Commerce conducted this investigation in accordance with section 701 of the Act. For each of the subsidy programs found countervailable, Commerce 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 subsidy is specific.[5] For a full description of the methodology underlying our final determination, *see* the Issues and Decision Memorandum.

Changes Since the *Preliminary Determination*

Based on our review and analysis of the information received during verification and comments received from parties, for this final determination, we made certain changes to the countervailable subsidy rate calculations for Mane Kancor and Synthite, and for all other producers/exporters. For a discussion of these changes, *see* the Issues and Decision Memorandum.

All-Others Rate

In accordance with section 705(c)(1)(B)(i) of the Act, we calculated an individual estimated countervailable subsidy rate for the two mandatory respondents, Mane Kancor and

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[5] *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; *see also* section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

Synthite. Section 705(c)(5)(A)(i) of the Act states that, for companies not individually investigated, Commerce will determine an all-others rate equal to the weighted-average countervailable subsidy rates established for exporters and/or producers individually investigated, excluding any zero and *de minimis* countervailable subsidy rates, and any rates determined entirely under section 776 of the Act.

In this investigation, we continue to calculate individual estimated countervailable subsidy rates for Mane Kancor and Synthite that are not zero, *de minimis*, or based entirely on facts otherwise available. We, therefore, continue to calculate the all-others rate using a weighted average of the individual estimated subsidy rates calculated for the examined respondents (Mane Kancor and Synthite) using each company's publicly-ranged sales value for their exports to the United States of subject merchandise,[6] in accordance with section 705(c)(5)(A)(i) of the Act.

Final Determination

Commerce determines that the following estimated countervailable subsidy rates exist for the period April 1, 2024, through March 31, 2025:

Company	**Subsidy Rate (percent *ad valorem*)**
Mane Kancor Ingredients Private Limited	18.67
Synthite Industries Pvt. Ltd	25.42
All Others	21.90

Disclosure

Commerce intends to disclose its calculations and analysis performed to interested parties in this final determination within five days of its 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).

[6] Pursuant to 19 CFR 351.109(f)(2)(ii), with two respondents under examination, Commerce normally calculates: (A) a weighted-average of the 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. sale quantities 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* Memorandum, "Calculation of Subsidy Rate for All Others," dated concurrently with this notice.

Suspension of Liquidation

The provisional measures in this investigation expired on June 6, 2026. Because Commerce has reached an affirmative final determination, suspension of liquidation will continue with respect to all applicable entries of subject merchandise, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after February 6, 2026, the date of publication of the *Preliminary Determination* in the *Federal Register*, through June 5, 2026. Because Commerce found that critical circumstances exist with respect to Synthite, pursuant to section 735(c)(4)(B) of the Act, suspension of liquidation will continue with respect to all applicable entries of subject merchandise from Synthite, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after November 8, 2025, which is 90 days before the date of publication of the *Preliminary Determination* in the *Federal Register*, through June 5, 2026.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a CVD order, reinstate the suspension of liquidation under section 706(a) of the Act, and require a cash deposit of estimated countervailing duties for entries of oleoresin paprika in the amounts indicated above. Pursuant to section 705(c)(2) of the Act, if the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated, and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or cancelled.

ITC Notification

In accordance with section 705(d) of the Act, Commerce will notify the ITC of its final affirmative determination that countervailable subsidies are being provided to producers and exporters of oleoresin paprika from India. As Commerce's final determination is affirmative, in accordance with section 705(b) of the Act, the ITC will determine, within 45 days after this final determination, whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of import of oleoresin paprika from India. In addition, we are making available to the ITC all non-privileged and nonproprietary information related to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

If the ITC determines that material injury or threat of material injury does not exist, this proceeding will be terminated and all cash deposits posted will be refunded. If the ITC determines that such injury does exist, Commerce will issue a CVD order directing CBP to assess, upon further instruction by Commerce, countervailing duties on all imports of the subject merchandise that is entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the "Suspension of Liquidation" section.

Administrative Protective Order

This notice will serve as the only reminder to parties subject to an APO of their responsibility concerning the destruction of proprietary information disclosed under APO, in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: August 17, 2026.

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 I

Scope of the Investigation

The merchandise covered by the scope of this investigation is the coloring additive oleoresin paprika. Oleoresin paprika is a viscous, highly colored liquid in various shades of red or orange made from the extract of Capsicum peppers. Covered merchandise includes all oleoresin paprika, regardless of pepper variety, with an American Spice Trade Association (ASTA) value of at least 500 or a color unit (CU) value of at least 20,000 as determined by spectrophotometric measurement. The Chemical Abstracts Service (CAS) Registry numbers for oleoresin paprika are 68917–78–2 and 84625–29–6; the Center for Food Safety and Applied Nutrition (CFSAN) number is 977006–45–3; the Flavoring Extract Manufacturers' Association (FEMA) number is 2834; and the E number is E160c. Subject oleoresin paprika may also be referred to by other product names, including, but not limited to, paprika oleoresin, oleoresin of paprika, paprika extract, extract of paprika, paprika oil, or paprika essential oil.

Subject oleoresin paprika may be blended with oil or water prior to importation or may be imported in its crude or unstandardized form. Subject oleoresin paprika may also be blended with emulsifiers or preservatives. The scope includes all oleoresin paprika meeting the specifications above regardless of whether or not blended with or soluble in oil or water, and regardless of weight, pungency, quality, solvent content, or additives. Further, the scope includes crude or unstandardized oleoresin paprika that has been blended, finished, packaged, or otherwise processed in a third country, if the blending, finishing, packaging, or processing performed would not otherwise remove the merchandise from the scope. Oleoresin paprika that is otherwise subject to this investigation is not excluded when commingled with oleoresin paprika from sources not subject to this investigation, or when commingled with other oleoresins. Only the subject component of such commingled products is covered by the scope of this investigation.

The merchandise subject to this investigation is classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 3203.00.8000 and 3301.90.1010. Subject merchandise may also enter under HTSUS subheading 1301.90.9190, 1302.19.9140, and 3205.00.0500. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

I. Summary
II. Background
III. Final Affirmative Determination of Critical Circumstances, in Part
IV. Subsidies Valuation
V. Changes Since the *Preliminary Determination*
VI. Analysis of Programs
VII. Discussion of the Issues
    Comment 1: Whether to Tie the Advanced Authorization Program (AAP) Import Duty Exemptions to all Oleoresin Paprika Blends Regardless of Origin
    Comment 2: Whether to Tie the Export-Oriented Units (EOU) Program to Total Export Sales
    Comment 3: Whether to Change the Time Frame Used for the Critical Circumstances Massive Import Analysis
    Comment 4: Whether to Correct a Ministerial Error in the Calculation of Mane Kancor's Total Net Countervailable Subsidy Rate
    Comment 5: Whether to Refer Information to U.S. Customs and Border Protection (CBP) and Establish a Certification Process
    Comment 6: Whether the Remission of Duties and Taxes on Export Products Scheme (RoDTEP) Is Countervailable
    Comment 7: Whether the Export Promotion of Capital Goods Scheme (EPCGS) Is Countervailable
    Comment 8: Whether the Manufacture and Other Operations in Warehouse Regulations (MOOWR) Is Countervailable
    Comment 9: Whether the Export Oriented Unit (EOU) Program Is Countervailable
    Comment 10: Whether the AAP Is Countervailable
VIII. Recommendation

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