



DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-941]

Certain Freight Rail Couplers and Parts Thereof from India: Final Affirmative Countervailing Duty Determination

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 certain freight rail couplers and parts thereof (freight rail couplers) 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: Benjamin Blythe or Joshua Jacobson, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3457 or (202) 482-0266, respectively.

SUPPLEMENTARY INFORMATION:

Background

On March 3, 2026, Commerce published the *Preliminary Determination* on freight rail couplers from India in the *Federal Register* and invited interested parties to comment.¹ In August 2026, the petitioner,² Kharagpur Metal Reforming Industries Pvt Ltd. (KMRI), Texmaco Rail and Engineering Limited (Texmaco), and the Government of India (GOI) timely submitted

¹ See *Certain Freight Rail Couplers and Parts Thereof from India: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination with Final Antidumping Duty Determination*, 91 FR 10370 (March 3, 2026) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

² The petitioner is the Coalition of Freight Coupler Producers, whose members are McConway & Torley LLC and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union.

case and rebuttal briefs. For a complete discussion 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 Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (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 freight rail couplers from India. For a complete description of the scope of this investigation, see Appendix I.

Scope Comments

Commerce received comments from interested parties on the scope of the investigation as it appeared in the *Preliminary Determination*.⁴ For the final determination, Commerce made no changes to the scope of the investigation from that published in the *Preliminary Determination*.⁵

Verification

Consistent with section 782(i) of the Act, in June 2026, Commerce conducted verifications of the information reported by the GOI, KMRI, and Texmaco.⁶ We used standard

³ See Memorandum, "Issues and Decisions Memorandum for the Final Affirmative Determination of the Countervailing Duty Investigation of Certain Freight Rail Couplers and Parts Thereof from India," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁴ See Memorandum, "Less-Than-Fair-Value Investigations of Certain Freight Couplers and Parts Thereof from the Czech Republic and India and Countervailing Duty Investigation of Certain Freight Rail Couplers and Parts Thereof from India: Final Scope Decision Memorandum," dated concurrently with, and hereby adopted by, this notice.

⁵ *Id.*

⁶ Commerce did not complete the verification of Texmaco. See Issues and Decision Memorandum at Comments 2 and 3 for further discussion.

verification procedures, including an examination of relevant account records and original source documents provided by the respondents.⁷

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation, and the issues raised in the case and rebuttal briefs by parties in this investigation, are discussed in the Issues and Decision Memorandum. A list of the issues addressed in the Issues and Decision Memorandum is attached to this notice as Appendix II.

Methodology

Commerce conducted this investigation in accordance with section 701 of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found to be 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.⁸ For a full description of the methodology underlying our final determination, *see* the Issues and Decision Memorandum.

Commerce notes that, in making these findings, we relied, in part, on facts available and, because we found that one or more respondents did not act to the best of their ability to respond to Commerce’s requests for information, we drew an adverse inference where appropriate in selecting from among the facts otherwise available.⁹ For further information, *see* the “Use of Facts Otherwise Available and Adverse Inferences” section in 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, we made certain changes to the countervailable subsidy rate

⁷ *See* Memoranda, “Verification of the Questionnaire Responses of the Government of India,” dated July 31, 2026; “Verification of the Questionnaire Responses of Kharagpur Metal Reforming Industries Pvt Ltd., dated July 31, 2026; and “Verification of the Questionnaire Responses of Texmaco Rail and Engineering Limited,” dated July 31, 2026.

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* sections 776(a) and (b) of the Act.

calculations for KMRI, Texmaco, and for all other producers/exporters. For a discussion of these changes, *see* the Issues and Decision Memorandum.

All-Others Rate

Pursuant to section 705(c)(5)(A)(i) of the Act, Commerce will determine an all-others rate equal to the weighted-average countervailable subsidy rates established for exporters and/or producers individually investigation, excluding any zero and *de minimis* countervailable subsidy rates, and any rates determined entirely under section 776 of the Act. In this investigation, Commerce assigned a rate based entirely on facts available to Texmaco. Therefore, the only rate that is not zero, *de minimis*, or based entirely on facts otherwise available is the rate calculated for KMRI. Consequently, the rate calculated for KMRI is also assigned as the rate for all other producers and exporters.

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 <i>ad valorem</i>)
Kharagpur Metal Reforming Industries Pvt Ltd.	9.71
Texmaco Rail and Engineering Limited	75.00*
Bhilai Engineering Corporation Ltd.	75.00*
Jupiter Wagons Ltd.	75.00*
All Others	9.71

*Rate based on facts available with adverse inferences.

Disclosure

Commerce intends to disclose the calculations and analysis performed in connection with this final determination to interested parties within five days of any public announcement or, if there is no public announcement, within five days of the date of the publication of the notice in the *Federal Register*, in accordance with 19 CFR 351.244(b).

Suspension of Liquidation

As a result of our *Preliminary Determination*, and pursuant to sections 703(d)(1)(B) and (d)(2) of the Act, Commerce instructed U.S. Customs and Border Protection (CBP) to collect cash deposits and suspend liquidation of entries of freight rail couplers, as described in the scope of the investigation section, that were entered, or withdrawn from warehouse, for consumption on or after March 3, 2026, the date of publication of the *Preliminary Determination* in the *Federal Register*. In accordance with section 703(d) of the Act, we instructed CBP to discontinue the suspension of liquidation of all entries of freight rail couplers entered or withdrawn from warehouse, on or after July 1, 2026, the first day provisional measures were no longer in effect, but to continue the suspension of liquidation of all entries of freight rail couplers from March 3, 2026, through June 30, 2026.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a countervailing duty order, reinstate the suspension of liquidation under section 706(a) of the Act, and require a cash deposit of estimated countervailing duties for such entries of subject merchandise 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 canceled.

International Trade Commission 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 freight rail couplers from India. As Commerce's final determination is affirmative, in accordance with section 705(b)(2)(B) of the Act, the ITC will determine, within 45 days, whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of import of freight rail couplers from India. In addition, we are making available to the ITC all non-privileged and non-proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under 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 will be refunded. If the ITC determines that such injury does exist, Commerce will issue a countervailing duty order directing CBP to assess, upon further instruction by Commerce, countervailing duties on all imports of the subject merchandise that are entered, or withdrawn, 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 the 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 or 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: September 18, 2026.

Steven Presing,
Executive Director
for Policy and Negotiations.

Appendix I

Scope of the Investigation

The scope of this investigation covers certain freight railcar couplers (also known as “fits” or “assemblies”) and parts thereof. Freight rail couplers are composed of two main parts, namely knuckles and coupler bodies but may also include other items (*e.g.*, coupler locks, lock lift assemblies, knuckle pins, knuckle throwers, and rotors). The parts covered by this investigation include: (1) E coupler bodies; (2) E/F coupler bodies; (3) F coupler bodies; (4) E knuckles; and (5) F knuckles; as set forth by the Association of American Railroads (AAR). The freight rail coupler parts are included within the scope of this investigation when imported individually. Coupler locks, lock lift assemblies, knuckle pins, knuckle throwers, and rotors are covered merchandise when imported in an assembly but are not covered by the scope when imported separately.

Subject freight rail couplers and parts are included within the scope whether finished or unfinished, whether imported individually or with other subject or nonsubject parts, whether assembled or unassembled, whether mounted or unmounted, or if joined with nonsubject merchandise, such as other nonsubject parts or a completed railcar. Finishing includes, but is not limited to, arc washing, welding, grinding, shot blasting, heat treatment, machining, and assembly of various parts. When a subject coupler or subject parts are mounted on or to other nonsubject merchandise, such as a railcar, only the coupler or subject parts are covered by the scope.

The finished products covered by the scope of this investigation meet or exceed the AAR specifications of M-211, “Foundry and Product Approval Requirements for the Manufacture of Couplers, Coupler Yokes, Knuckles, Follower Blocks, and Coupler Parts,” and/or AAR M-215 “Coupling Systems,” or other equivalent domestic or international standards (including any revisions to the standard(s)).

The country of origin for subject couplers and parts thereof, whether fully assembled, unfinished or finished, or attached to a railcar, is the country where the subject coupler parts were cast or forged. Subject merchandise includes coupler parts as defined above that have been further processed or further assembled, including those coupler parts attached to a railcar in third countries. Further processing includes, but is not limited to, arc washing, welding, grinding, shot blasting, heat treatment, painting, coating, priming, machining, and assembly of various parts. The inclusion, attachment, joining, or assembly of nonsubject parts with subject parts or couplers either in the country of manufacture of the in-scope product or in a third country does not remove the subject parts or couplers from the scope.

The couplers that are the subject of this investigation are currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) statistical reporting number 8607.30.1010, 8607.30.1050, and 8607.30.1090. Subject merchandise attached to finished railcars may also enter under HTSUS statistical reporting numbers 7326.90.8688, 8606.10.0000, 8606.91.0000, 8606.92.0000, 8606.99.0130, or under subheading 8606.99.0160. Subject merchandise may also be imported under HTSUS statistical reporting number 7325.99.5000. These HTSUS subheadings are provided for convenience and customs purposes only; 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. Subsidies Valuation
- IV. Use of Facts Otherwise Available and Application of Adverse Inferences
- V. Changes Since the *Preliminary Determination*
- VI. Analysis of Programs
- VII. Discussion of the Issues
 - Comment 1: Whether to Apply Adverse Facts Available (AFA) Towards the Government of India (GOI) for Programs Not Used by Mandatory Respondents
 - Comment 2: Whether to Complete Texmaco's Verification
 - Comment 3: Whether the Application of Total AFA is Warranted for Texmaco
 - Comment 4: Whether to Accept Texmaco's Rebuttal Factual Information
 - Comment 5: Calculation of the *Ad Valorem* Rate for Companies Receiving Total AFA
 - Comment 6: Whether the Local Content Requirements for the More than Adequate Remuneration (MTAR) Program is Distinct from the Federal GOI Purchase of Freight Rail Couplers for MTAR Program
 - Comment 7: Whether Texmaco Benefited from the Purchase of Freight Rail Couplers for MTAR Programs
 - Comment 8: Whether the Application of Total AFA is Warranted for KMRI
 - Comment 9: Benchmark Selection for Calculating the Federal GOI Purchase of Freight Rail Couplers for MTAR Program
 - Comment 10: Whether to Limit the Benefit Calculation for the Federal GOI Purchase of Freight Rail Couplers for MTAR Program to Restricted Tenders for KMRI
 - Comment 11: Whether Goods and Service Tax Should Be Removed from the Price for KMRI's Sales of Freight Rail Couplers
 - Comment 12: Whether to Offset the Antidumping Duty (AD) Margin by the Federal GOI Purchase of Freight Rail Couplers for MTAR Program Rate
 - Comment 13: Whether to Adjust the Calculations of KMRI's *Ad Valorem Rate* for Late Delivery Charges
 - Comment 14: Whether to Adjust the Calculations of the Provision of Electricity for Less than Adequate Remuneration (LTAR) Program for KMRI's Electronic Payment Rebates
 - Comment 15: Whether to Adjust the Calculations of the Provision of Electricity for LTAR Program for KMRI's Construction Electricity
- VIII. Recommendation