



UNITED STATES DEPARTMENT OF COMMERCE
International Trade Administration
Washington, D.C. 20230

A-533-824

Administrative Review

POR: 07/01/2014-06/30/2015

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December 12, 2016

MEMORANDUM TO: Paul Piquado
Assistant Secretary
for Enforcement and Compliance

FROM: Christian Marsh 
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Issues and Decision Memorandum for the Final Results of
Antidumping Duty Administrative Review: Polyethylene
Terephthalate Film From India; 2014 – 2015 Administrative
Review

Summary

The Department of Commerce (the Department) analyzed the case and rebuttal briefs submitted by interested parties in the administrative review of the antidumping duty (AD) order on polyethylene terephthalate film, sheet, and strip (PET Film) from India. As a result of this analysis, we made changes to the *Preliminary Results*.¹ We recommend that you approve the positions described in the “Discussion of the Issues” section of this memorandum.

Background

On August 2, 2016, the Department published the *Preliminary Results*. The review covers four respondents, of which Jindal Poly Films Limited (Jindal), and SRF Limited (SRF) were selected as the mandatory respondents. The Department rescinded the review with respect to Ester Industries Limited, MTZ Polyesters Ltd, Polyplex Corporation Ltd., Vacmet and Uflex Ltd,

¹ See *Polyethylene Terephthalate Film, Sheet, and Strip from India: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review; 2014–2015*, 81 FR 50684, (August 2, 2016) (*Preliminary Results*). For details of changes to the *Preliminary Results*, see Memoranda to File “Analysis Memorandum for the Final Results of the Antidumping Duty Administrative Review of Polyethylene Terephthalate Film, Sheet, and Strip from India: Jindal Poly Films Limited (Jindal)” (Jindal Final Results Calculation Memorandum) and “Analysis Memorandum for the Final Results of the Antidumping Duty Administrative Review of Polyethylene Terephthalate Film, Sheet, and Strip from India: SRF Limited (SRF),” (SRF Final Results Calculation Memorandum), each dated concurrently with this memorandum.



based on timely requests to rescind.² The period of review (POR) is July 1, 2014, through June 30, 2015. On September 1, 2015, SRF filed a request for a hearing, which was subsequently withdrawn on September 23, 2016.³ Petitioners, Jindal and SRF each submitted a case brief on September 15, 2016.⁴ On September 20, 2016, SRF submitted a rebuttal brief.⁵

Scope of the Order

The products covered by the order are all gauges of raw, pretreated, or primed PET Film, whether extruded or coextruded. Excluded are metallized films and other finished films that have had at least one of their surfaces modified by the application of a performance-enhancing resinous or inorganic layer of more than 0.00001 inches thick. Imports of PET Film are currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under item number 3920.62.00.90. HTSUS subheadings are provided for convenience and customs purposes. The written description of the scope of the order is dispositive.

Discussion of the Issues

Comment 1: Issues Requiring Revision to SRF's Program

SRF's Argues

- The Department stated its intention to make a quantity adjustment to account for instances where material was returned and other adjustments related to gross unit price.⁶ However, the Department failed to include the necessary SAS programming language.
- The Department stated its intention to cap the freight revenue and create a revised gross unit price.⁷ However, the Department failed to include the necessary SAS programming language.
- Although the Department revised the quantity variable (REV_QTY) in the comparison market program, this was not used in the margin calculation.⁸
- The Petitioners concede that the Department erred in not using the revised quantity for its calculations.
- The Petitioners only focused on one error and ignored the second error, which was capping the amount of freight revenue deducted by the amount of inland freight and insurance paid.
- The Department stated in its Prelim Analysis Memo for SRF that it reset quantity to a new field (REV_QTY) by subtracting the adjustment field (QTYADJH) from the

² See *Preliminary Results*.

³ See *Letter from SRF*, "Polyethylene Terephthalate Film, Sheet, and Strip from India/Antidumping Duty/SRF Limited/Request for Hearing," and see also *Letter from SRF*, "Polyethylene Terephthalate Film, Sheet, and Strip from India/Antidumping Duty/SRF Limited/Withdrawal of Request for Hearing," dated September 23, 2016.

⁴ See Case Brief filed by DuPont Teijin Films, Inc., Mitsubishi Polyester Film, Inc., and SKC, Inc. (collectively Petitioners), dated September 15, 2016. See also Case Brief filed by Jindal, dated September 15, 2016 and Case Brief filed by SRF, dated September 15, 2016.

⁵ See Rebuttal Brief filed by SRF, dated September 20, 2016.

⁶ See SRF Case Brief at Exhibit 1.

⁷ *Id.*, at 3.

⁸ *Id.*, at Exhibit 2.

quantity field (QTYH). However, the Department did not implement this change in the Preliminary Results.⁹

Petitioners Argue

- The Department stated in its Prelim Analysis Memo for SRF that it reset quantity to a new field (REV_QTY) by subtracting the adjustment field (QTYADJH) from the quantity field (QTYH). However, the Department did not implement this change in the Preliminary Results.¹⁰
- This error resulted in an inaccurate dumping margin. If this error is corrected, the pool of home market sales decreases and some previously used sales, which the Department used to match, are no longer part of the pool. This will result in an increase in the calculated margin.

Department's Position:

We have revised SRF's margin calculation in these *Final Results*. Specifically, we: 1) made a quantity adjustment to account for instances where material was returned and other adjustments related to GRSUPRH4; 2) capped the freight revenue and created a revised gross unit price; and 3) revised the REV_QTY in the comparison market program.¹¹

Comment 2: Whether the Department Should Include Sample Sales in the Margin Calculation for the Final Results

SRF Argues

- Although SRF accurately reported free samples, the Department mistakenly included these transactions as sales in its calculation of the SRF margin
- The correct methodology relating to sample sales is to treat the expenses relating to samples as selling expenses and allocate them across the actual sales.¹²
- The Department should issue revised liquidation instructions that reflect the final results which do not include SRF's sample sales.

Department's Position:

We agree. Based on the record evidence, we have determined that SRF's sample sales do not constitute sales within the meaning of sections 772(a) and section 772(b) of the Act, and have not included these sales in the margin calculation for these *Final Results*.¹³

⁹ *Id.*, at 3.

¹⁰ *Id.*

¹¹ See SRF Final Results Calculation Memorandum.

¹² See SRF Case Brief at 5.

¹³ See "Analysis Memorandum for the Final Results of the Antidumping Duty Administrative Review of Polyethylene Terephthalate Film, Sheet, and Strip from India: SRF Limited (SRF)," dated concurrently with this memorandum.

Comment 3: Issue Requiring Revision to Jindal's Program

Jindal Argues

- The Department omitted assigning a numeric variable to a product characteristic for surface treatment (SURFACEH). This resulted in omitting matching and concordance of a significant number of Jindal Poly Films sales, which were used to calculate the margin for the Preliminary Results.

Department's Position: We agree and have assigned a numeric variable to SURFACEH in Jindal's margin calculation for these Final Results.¹⁴

Recommendation

We recommend adopting the above positions. If these recommendations are accepted, we will publish the final results of this administrative review in the *Federal Register*.



Agree



Disagree

12/12/2016

X 

Signed by: PAUL PIQUADO
Paul Piquado
Assistant Secretary
for Enforcement and Compliance

¹⁴ See Jindal Final Results Analysis Memorandum, dated concurrently with this memorandum.