



C-533-880
Investigation
Public Document
E&C/I: Team

DATE: February 28, 2018

MEMORANDUM TO: Christian Marsh
Deputy Assistant Secretary
for Enforcement and Compliance

FROM: James Maeder
Associate Deputy Assistant Secretary
for Enforcement and Compliance
performing the duties of Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Decision Memorandum for the Preliminary Determination in the
Countervailing Duty Investigation of Polytetrafluoroethylene
Resin from India

I. Summary

The Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of polytetrafluoroethylene resin (PTFE resin) from India, as provided in section 703 of the Tariff Act of 1930, as amended (the Act).

II. Background

A. Initiation and Case History

On September 28, 2017, Commerce received a countervailing duty (CVD) petition from The Chemours Company FC LLC (the petitioner) on PTFE resin from India.¹ Supplements to the petition and our consultations with the Government of India (GOI) are described in the *Initiation Notice* and the accompanying Initiation Checklist.² On October 18, 2017, Commerce initiated a CVD investigation on PTFE resin from India.³

¹ See Letter from the petitioner, “Polytetrafluoroethylene (PTFE) Resin from the People’s Republic of China and India: Antidumping and Countervailing Duty Petitions,” dated September 28, 2017 (the Petition).

² See Memorandum, “Countervailing Duty Investigation Initiation Checklist: Polytetrafluoroethylene Resin (PTFE Resin) from India,” dated October 20, 2017 (Initiation Checklist); see also *Polytetrafluoroethylene Resin from India: Initiation of Countervailing Duty Investigation*, 82 FR 49592 (October 26, 2017) (*Initiation Notice*).

³ See *Initiation Notice*.



We stated in the *Initiation Notice* that, if respondent selection became necessary, we intended to base our selection of mandatory respondents on the United States Customs and Border Protection (CBP) entry data for the Harmonized Tariff Schedule of the United States (HTSUS) subheadings listed in the scope of the investigation. On October 12, 2017, Commerce released the CBP entry data under administrative protective order.⁴ On October 30, 2017, the petitioner submitted respondent selection comments.⁵ On November 15, 2017, we selected Gujarat Fluorochemicals Limited (GFL) as the mandatory respondent.⁶

We issued our CVD questionnaire to the GOI, seeking information regarding the alleged subsidies on November 16, 2017.⁷ Commerce instructed the GOI to forward the questionnaire to the selected mandatory respondent.⁸ Between December 4, 2017, and February 14, 2018, we received timely questionnaire and supplemental questionnaire responses from the GOI⁹ and GFL.¹⁰ The GOI initially improperly filed its questionnaire response, which Commerce rejected.¹¹ However, Commerce allowed the GOI to remedy the deficiencies with its filing and the GOI subsequently properly submitted its questionnaire response to Commerce.

⁴ See Memorandum, “Polytetrafluoroethylene (PTFE) Resin from India Countervailing Duty Petition: Release of U.S. Customs and Border Protection Data,” dated October 12, 2017.

⁵ See Letter from the petitioner, “Polytetrafluoroethylene (PTFE) Resin from India: Comments on Respondent Selection,” dated October 30, 2017.

⁶ See Memorandum, “Countervailing Duty Investigation of Polytetrafluoroethylene (PTFE) Resin from India: Respondent Selection,” dated November 15, 2017.

⁷ See Letter from Commerce, “Countervailing Duty Investigation of Polytetrafluoroethylene Resin from India: Countervailing Duty Questionnaire,” dated November 16, 2017 (CVD Questionnaire).

⁸ *Id.*

⁹ See Letter from the GOI, “Countervailing Duty Investigation into PTFE Resin from India (Case No. C-533-880) – Questionnaire Response on behalf of Government of India,” dated January 8, 2018 (GOI IQR); see also Letter from the GOI, “Countervailing Duty Investigation into PTFE Resin from India (Case No. C-533-880) – Response to Supplemental Questionnaire dated 9 January 2018 on behalf of Government of India,” dated January 30, 2018 (GOI SQR); see also Letter from the GOI, “Countervailing Duty Investigation into PTFE Resin from India (Case No. C-533-880) – Response to Supplemental Questionnaire dated 29 January 2018 on behalf of Government of India,” dated February 7, 2018 (GOI SQR2); see also Letter from the GOI, “Countervailing Duty Investigation into PTFE Resin from India (Case No. C-533-880) – Response to Supplemental Questionnaire dated 5 February 2018 on behalf of Government of India,” dated February 15, 2018.

¹⁰ See Letter from GFL, “Polytetrafluoroethylene Resin from India; Gujarat Fluorochemicals Limited’s Questionnaire Response to Section III Identifying Affiliated Companies,” dated December 4, 2017 (GFL Affiliated Companies Response); see also Letter from GFL, “Polytetrafluoroethylene Resin from India; Gujarat Fluorochemicals Limited’s Supplemental Questionnaire Response to Section III Identifying Affiliated Companies,” dated December 22, 2017; see also Letter from GFL, “Polytetrafluoroethylene Resin from India; Gujarat Fluorochemicals Limited’s Section III Questionnaire Response,” dated January 8, 2018 (GFL IQR); see also Letter from GFL affiliate, Inox Leasing and Finance Limited (ILFL), “Polytetrafluoroethylene Resin from India; Inox Leasing and Finance Limited’s Section III Questionnaire Response,” dated January 16, 2018 (ILFL Response); see also Letter from GFL, “Polytetrafluoroethylene Resin from India; Gujarat Fluorochemicals Limited’s First Supplemental Questionnaire Response,” dated February 9, 2018 (GFL SQR); see also Letter from GFL, “Polytetrafluoroethylene Resin from India; Gujarat Fluorochemicals Limited’s First Supplemental Questionnaire Response (Certain Questions),” dated February 13, 2018 (GFL SQR2); see also Letter from GFL, “Polytetrafluoroethylene Resin from India; Gujarat Fluorochemicals Limited’s First Supplemental Questionnaire Response (Land Sale Documentation)” dated February 14, 2018.

¹¹ See Letter from Commerce, “Countervailing Duty Investigation into PTFE Resin from India (Case No. C-533-880) – Questionnaire Response on behalf of Government of India,” dated January 4, 2018; see also Memorandum, “Countervailing Duty Investigation of Polytetrafluoroethylene Resin from India: Rejection of Documents,” dated January 5, 2018.

B. Postponement of Preliminary Determination

On December 7, 2017, based on a request from the petitioner, Commerce postponed the deadline for the preliminary determination until February 25, 2018, in accordance with sections 703(c)(1) and (2) of the Act and 19 CFR 351.205(f)(1).¹² Commerce then exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from January 20 through 22, 2018. The revised deadline for the preliminary determination of this investigation is now February 28, 2018.¹³

C. Period of Investigation

The period of investigation (POI) was originally defined as January 1, 2016, through December 31, 2016. We received comments from GFL requesting that Commerce alter the POI to correspond with the most recently completed fiscal year, April 1, 2016, through March 31, 2017, rather than to the calendar year.¹⁴ No other parties submitted comments regarding the POI. We found that this request is consistent with 19 CFR 351.204(b)(2), and consequently changed the POI to April 1, 2016, through March 31, 2017, reflecting the most recently completed Indian fiscal year.¹⁵

III. Scope Comments

In accordance with the Preamble to Commerce's regulations, and as noted in the *Initiation Notice*, Commerce notified parties of an opportunity to comment on the scope of the investigation.¹⁶

We received comments from interested parties concerning the scope of the AD and CVD investigations of PTFE resin from the People's Republic of China (China) and India.¹⁷ We evaluated these comments and are issuing our preliminary decision regarding the scope of the

¹² See *Polytetrafluoroethylene Resin from India: Postponement of Preliminary Determination in the Countervailing Duty Investigation*, 82 FR 57727 (December 7, 2017).

¹³ See Memorandum, "Deadlines Affected by the Shutdown of the Federal Government," dated January 23, 2018. All deadlines in this segment of the proceeding have been extended by three days.

¹⁴ See Letter from GFL, "Polytetrafluoroethylene Resin from India; Gujarat Fluorochemicals Limited's Request to Change Period of Investigation (POI)," dated November 21, 2017.

¹⁵ See Memorandum, "Countervailing Duty Investigation of Polytetrafluoroethylene Resin from India: Period of Investigation Change," dated December 1, 2017; see also Letter to the GOI, "Countervailing Duty Investigation of Polytetrafluoroethylene Resin from India: Period of Investigation Change," dated December 5, 2017; see also Letter to GFL, "Countervailing Duty Investigation of Polytetrafluoroethylene Resin from India: Period of Investigation Change," dated December 5, 2017.

¹⁶ See *Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27323 (May 19, 1997) (Preamble); see also *Initiation Notice*, 82 FR at 49592.

¹⁷ See Letter from GFL, "Polytetrafluoroethylene Resin from India and the People's Republic of China; GFL Comments on Scope of Investigation," dated November 7, 2017; see also Letter from Solvay, "Polytetrafluoroethylene Resin from India and China: Comments on Scope of Investigations," dated November 14, 2017; see also Letter from the petitioner, "Polytetrafluoroethylene (PTFE) Resin from the People's Republic of China and India: Response to Scope Comments," dated November 21, 2017.

AD and CVD investigations in conjunction with this preliminary determination.¹⁸ We will issue a final scope decision after considering any relevant comments submitted in case and rebuttal briefs.¹⁹

IV. Scope of the Investigation

The product covered by this investigation is polytetrafluoroethylene (PTFE) resin, including but not limited to granular, dispersion, or coagulated dispersion (also known as fine powder). PTFE is covered by the scope of this investigation whether filled or unfilled, whether modified, and whether containing co-polymer additives, pigments, or other materials. Also included is PTFE wet raw polymer. The chemical formula for PTFE is C₂F₄, and the Chemical Abstracts Service Registry number is 9002-84-0.

PTFE further processed into micropowder, having particle size typically ranging from 1 to 25 microns, and a melt-flow rate no less than 0.1 gram/10 minutes, is excluded from the scope of this investigation.

PTFE is classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 3904.61.0010 and 3904.61.0090. Subject merchandise may also be classified under HTSUS subheading 3904.69.5000. Although the HTSUS subheadings and CAS Number are provided for convenience and Customs purposes, the written description of the scope is dispositive.

V. Injury Test

Because India is a “Subsidies Agreement Country” within the meaning of section 701(b) of the Act, the U.S. International Trade Commission (ITC) is required to determine whether imports of the subject merchandise from India materially injure, or threaten material injury to, a U.S. industry. On November 13, 2017, the ITC determined that there is reasonable indication that an industry in the United States is materially injured by reason of imports of PTFE resin from India that are allegedly subsidized by the GOI.²⁰

VI. Subsidies Valuation

A. Allocation Period

Commerce normally allocates the benefits from non-recurring subsidies over the average useful life (AUL) of renewable physical assets used in the production of subject merchandise.

Commerce finds the AUL in this proceeding to be 9.5 years, pursuant to 19 CFR 351.524(d)(2) and the U.S. Internal Revenue Service’s 1977 Class Life Asset Depreciation Range System.²¹

¹⁸ See Memorandum, “Polytetrafluoroethylene Resin from India and the People’s Republic of China: Scope Comments Decision Memorandum for the Preliminary Determinations,” dated concurrently with this memorandum.

¹⁹ *Id.*

²⁰ See *Polytetrafluoroethylene (PTFE) Resin from China and India*, 82 FR 53521 (November 16, 2017).

²¹ See U.S. Internal Revenue Service Publication 946 (2017), “How to Depreciate Property,” at Table B-2: Table of Class Lives and Recovery Periods.

We note that, consistent with past practice, in order to measure appropriately any allocated subsidies, Commerce has requested and used a 10-year AUL in this investigation.²² No party in this proceeding has disputed the allocation period. Furthermore, for non-recurring subsidies, we have applied the “0.5 percent test,” as described in 19 CFR 351.524(b)(2). Under this test, we divide the amount of subsidies approved under a given program in a particular year by the relevant sales value (*e.g.*, total sales or export sales) for the same year. If the amount of the subsidies is less than 0.5 percent of the relevant sales value, then the benefits are allocated to the year of receipt, rather than across the AUL.

B. Attribution of Subsidies

In accordance with 19 CFR 351.525(b)(6)(i), Commerce normally attributes a subsidy to the products produced by the company that received the subsidy. However, 19 CFR 351.525(b)(6)(ii)-(v) provides additional rules for the attribution of subsidies received by respondents with cross-owned affiliates. Subsidies to the following types of cross-owned affiliates are covered in these additional attribution rules: (ii) producers of the subject merchandise; (iii) holding companies or parent companies; (iv) producers of an input that is primarily dedicated to the production of the downstream product; or (v) an affiliate producing non-subject merchandise that otherwise transfers a subsidy to a respondent.

According to 19 CFR 351.525(b)(6)(vi), cross-ownership exists between two or more corporations where one corporation can use or direct the individual assets of another corporation in essentially the same ways it can use its own assets. This section of Commerce’s regulations states that this standard will normally be met where there is a majority of voting ownership interest between two corporations or through common ownership of two (or more) corporations. The *CVD Preamble* to Commerce’s regulations further clarifies Commerce’s cross-ownership standard. According to the *CVD Preamble*, relationships captured by the cross-ownership definition include those where:

{T}he interests of two corporations have merged to such a degree that one corporation can use or direct the individual assets (or subsidy benefits) of the other corporation in essentially the same way it can use its own assets (or subsidy benefits) Cross-ownership does not require one corporation to own 100 percent of the other corporation. Normally, cross-ownership will exist where there is a majority voting ownership interest between two corporations or through common ownership of two (or more) corporations. In certain circumstances, a large minority voting interest (for example, 40 percent) or a “golden share” may also result in cross-ownership.²³

Thus, Commerce’s regulations make clear that the agency must look at the facts presented in each case in determining whether cross-ownership exists. The U.S. Court of International Trade

²² See, *e.g.*, *Issues and Decision Memorandum: Final Results of Countervailing Duty Administrative Reviews: Low Enriched Uranium from Germany, the Netherlands, and the United Kingdom*, 70 FR 40000 (July 12, 2005) and accompanying Issues and Decision Memorandum (IDM) at Comment 4; see also *Countervailing Duty Investigation of Certain Polyethylene Terephthalate Resin from India: Final Affirmative Determination and Final Affirmative Critical Circumstances Determination, in Part*, 81 FR 13334 (March 14, 2016) and accompanying IDM at 4.

²³ See *Countervailing Duties*, 63 FR 65348, 65401 (November 25, 1998) (*CVD Preamble*).

(CIT) upheld Commerce’s authority to attribute subsidies based on whether a company could use or direct the subsidy benefits of another company in essentially the same ways it could use its own subsidy benefits.²⁴

GFL

GFL responded to Commerce’s questionnaire on behalf of itself and its holding company Inox Leasing and Finance Limited (ILFL).²⁵ GFL reported that ILFL holds a 52.54 percent stake in GFL; therefore, we preliminarily determine that these companies are cross-owned within the meaning of 19 CFR 351.525(b)(6)(iii).²⁶ Further, GFL reported that ILFL did not manufacture or export subject merchandise, nor did it receive any subsidies over the AUL.²⁷

While GFL identified several subsidiaries, these companies are not involved in the production or sale of subject merchandise. GFL reported that it is the only company among its affiliates involved in the production and sale of subject merchandise in India.²⁸ GFL noted that it purchased a small amount of power generated by its affiliate Inox Wind Limited, operation and maintenance services from Inox Wind Infrastructure Services Limited, and small amounts of wind turbines from Inox Air Products Pvt Ltd.²⁹ Based upon record evidence,³⁰ we preliminarily determine that these inputs are not primarily dedicated to the production of the downstream product.³¹ Therefore, we will attribute subsidies received by GFL to its own sales, in accordance with 19 CFR 351.525(b)(6)(i).

C. Denominators

In accordance with 19 CFR 351.525(b)(1)-(5), Commerce considers the basis for the respondent’s receipt of benefits under each program when attributing subsidies, *e.g.*, to the respondent’s export or total sales. The denominators we used to calculate the countervailable subsidy rate for the various subsidy programs in this investigation are explained in further detail in the preliminary calculations memoranda prepared for this preliminary determination.³²

VII. Benchmarks and Discount Rates

Section 771(5)(E)(ii) of the Act provides that the benefit for loans is the “difference between the amount the recipient of the loan pays on the loan and the amount the recipient would pay on a comparable commercial loan that the recipient could actually obtain on the market,” indicating

²⁴ See *Fabrique de Fer de Charleroi v. United States*, 166 F. Supp. 2d 593, 600-04 (CIT 2001).

²⁵ See GFL Affiliated Companies Response; *see also* ILFL Response.

²⁶ See GFL Affiliated Companies Response at 2-3.

²⁷ See ILFL Response at 1.

²⁸ See GFL Affiliated Companies Response at 4.

²⁹ *Id.* at 5.

³⁰ See Letter from GFL, “Polytetrafluoroethylene Resin from India; Gujarat Fluorochemicals Limited’s Request to Amend Supplemental Questionnaire Response,” dated December 14, 2017; *see also* Letter from GFL, “Polytetrafluoroethylene Resin from India and the People’s Republic of China; Gujarat Fluorochemicals Limited’s Response to Petitioner’s Letter Dated December 19, 2017,” dated December 20, 2017.

³¹ See 19 CFR 351.525(b)(6)(iv).

³² See Memorandum, “Preliminary Determination Calculations for Gujarat Fluorochemicals Limited,” dated concurrently with this memorandum (GFL Preliminary Calculation Memorandum).

that a benchmark must be a market-based rate. In addition, 19 CFR 351.505(a)(3)(i) stipulates that when selecting a comparable commercial loan that the recipient “could actually obtain on the market{,}” Commerce will normally rely on actual loans obtained by the firm. However, when there are no comparable commercial loans during the period, Commerce “may use a national average interest rate for comparable commercial loans,” pursuant to 19 CFR 351.505(a)(3)(ii). In addition, 19 CFR 351.505(a)(2)(ii) states that Commerce will not consider a loan provided by a government-owned special purpose bank for purposes of calculating benchmark rates. Also, in the absence of reported long-term commercial loan interest rates, we use the national average interest rates from the International Monetary Fund’s International Financial Statistics (IFS) as discount rates for purposes of allocating non-recurring benefits over time, pursuant to 19 CFR 351.524(d)(3)(i)(B).

According to information provided by GFL, GFL received rupee-denominated long-term loans from commercial banks for certain years for which we must identify benchmark and discount rates.³³ We preliminarily find that the loan information GFL provided constitutes a reasonable representation of long-term interest rates for rupee-denominated loans pursuant to 19 CFR 351.524(d)(3). For allocating the benefit from non-recurring grants under the Export Promotion Capital Goods (EPCGS) and Status Holder Incentive Scheme (SHIS) programs, we have used the discount rates described above for the years in which the government agreed to provide the subsidies, consistent with 19 CFR 351.524(d)(3)(i)(A). The interest-rate benchmarks and discount rates used in our preliminary calculations are provided in the preliminary calculation memorandum.

VIII. Use of Facts Otherwise Available and Adverse Inferences

Sections 776(a)(1) and (2) of the Act provide that Commerce shall, subject to section 782(d) of the Act, apply “facts otherwise available” if necessary information is not on the record or an interested party or any other person: (A) withholds information that has been requested; (B) fails to provide information within the deadlines established, or in the form and manner requested by Commerce, subject to subsections (c)(1) and (e) of section 782 of the Act; (C) significantly impedes a proceeding; or (D) provides information that cannot be verified as provided by section 782(i) of the Act.³⁴

Section 776(b) of the Act further provides that Commerce may use an adverse inference in selecting from among the facts otherwise available when a party fails to cooperate by not acting to the best of its ability to comply with a request for information. Further, section 776(b)(2) of the Act states that adverse facts available (AFA) may include reliance on information derived from the petition, the final determination from the investigation, a previous administrative review, or other information placed on the record. When selecting an AFA rate from among the possible sources of information, Commerce’s practice is to ensure that the rate is sufficiently

³³ See GFL SQR at Exhibit 15.

³⁴ Under the Trade Preferences Extension Act of 2015, numerous amendments to the AD and CVD law were made, including amendments to sections 776(b) and 776(c) of the Act and the addition of section 776(d) of the Act, as summarized below. See *Trade Preferences Extension Act of 2015*, Pub. L. No. 114-27, 129 Stat. 362, dated June 29, 2015. See also *Dates of Application of Amendments to the Antidumping and Countervailing Duty Laws Made by the Trade Preferences Extension Act of 2015*, 80 FR 46793 (August 6, 2015).

adverse “as to effectuate the statutory purposes of the adverse facts available rule to induce respondents to provide Commerce with complete and accurate information in a timely manner.”³⁵ Commerce’s practice also ensures “that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully.”³⁶

Section 776(c)(1) of the Act provides that, when Commerce relies on secondary information rather than on information obtained in the course of an investigation or review, it shall, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal. However, section 776(c)(1) of the Act does not require corroboration when the information relied upon for AFA is derived from the petition, a final determination in the investigation, any previous review under section 751 of the Act or determination under section 753 of the Act, or any other information placed on the record.

Finally, under the section 776(d) of the Act, Commerce may use any countervailable subsidy rate applied for the same or similar program in a CVD proceeding involving the same country, or, if there is no same or similar program, use a CVD rate for a subsidy program from a proceeding that the administering authority considers reasonable to use, including the highest of such rates. Additionally, when selecting an AFA rate, Commerce is not required for purposes of section 776(c) of the Act, or any other purpose, to estimate what the countervailable subsidy rate would have been if the non-cooperating interested party had cooperated or to demonstrate that the countervailable subsidy rate reflects an “alleged commercial reality” of the interested party.³⁷ With regard to the reliability aspect of corroboration, unlike other types of information, such as publicly available data on the national inflation rate of a given country or national average interest rates, there typically are no independent sources for data on company-specific benefits resulting from countervailable subsidy programs. Additionally, as stated above, we are applying subsidy rates, which were calculated in this investigation or previous India CVD investigations or administrative reviews. Therefore, the corroboration exercise of section 776(c)(1) of the Act is inapplicable for purposes of this investigation.

For the reasons explained below, Commerce preliminarily determines that application of facts otherwise available, with an adverse inference, to the financial contribution and specificity aspects of the countervailability determination of certain programs is warranted, pursuant to section 776(b) of the Act, because, by not responding to our requests for the necessary information, the GOI repeatedly failed to provide information in the manner requested and, therefore, failed to cooperate by not acting to the best of its ability.

³⁵ See, e.g., *Drill Pipe from the People’s Republic of China: Final Affirmative Countervailing Duty Determination, Final Affirmative Critical Circumstances Determination*, 76 FR 1971 (January 11, 2011); see also *Notice of Final Determination of Sales at Less Than Fair Value: Static Random Access Memory Semiconductors from Taiwan*, 63 FR 8909, 8932 (February 23, 1998).

³⁶ See Statement of Administrative Action accompanying the Uruguay Round Agreements Act, H.R. Doc. 103-316, Vol. I at 870 (1994), reprinted at 1994 U.S.C.C.A.N. 4040, 4199 (SAA) at 870.

³⁷ See section 776(d)(3) of the Act.

Government of India

On January 9, 2018, January 29, 2018, and February 5, 2018, we issued to the GOI supplemental questionnaires³⁸ in response to certain deficiencies that we identified in its initial and supplemental questionnaire responses submitted on January 8 and 30, 2018.³⁹ In these supplemental questionnaires, we requested information, for a second and third time, that we had previously requested and which the GOI had failed to provide. This information included key program procedures and guidelines pertaining to assistance provided under Section 32AC of the Income Tax Act, Renewable Energy Certificate, and Exemption from Electricity Duty. As such, we requested official documentation and program operation information to determine the countervailability of these programs.

For the Section 32AC of the Income Tax Act program, we requested that the GOI provide information regarding all Indian companies using the tax program; in response to this request, the GOI provided information only about the mandatory respondent, and failed to provide information for “all Indian companies using the tax program.”⁴⁰

The GOI did not provide any substantive response to Commerce’s questions regarding the Renewable Energy Certificate program. Thus, in its first supplemental questionnaire response, the GOI failed to provide Commerce with sufficient information to analyze this program. Because of the deficiency in its response, we issued supplemental questionnaires; however, in its supplemental questionnaire responses, the GOI failed to respond and continued to refer Commerce to its first supplemental questionnaire response.⁴¹

The GOI did not provide any substantive response to Commerce’s questions regarding the Exemption from Electricity Duty program. In its initial response, the GOI provided only a brief statement that information regarding this program, administered by the State Government of Gujarat, could be collected from the mandatory respondent. The GOI continued to provide this same response in its subsequent supplemental questionnaire responses.⁴²

Therefore, as noted above, the GOI failed to provide necessary information in response to questions pertaining to the Section 32AC of the Income Tax Act, Renewable Energy Certificate, and Exemption from Electricity Duty programs. Given that such necessary information has been withheld by the GOI, Commerce’s ability to investigate those programs is significantly impeded.

On this basis, we preliminarily determine that necessary information is not available on the record and that the GOI did not provide information that was requested of it. Further, the fact that the GOI did not cooperate to the best of its ability significantly impeded the investigation.

³⁸ See Letter to the GOI, “Countervailing Duty Investigation into PTFE Resin from India (Case No. C-533-880) – Questionnaire Response on behalf of Government of India,” dated January 9, 2018; *see also* Letter to the GOI, “Polytetrafluoroethylene (PTFE) Resin from India: Supplemental Questionnaire for the Government of India,” dated January 29, 2018; *see also* Letter to the GOI, “Polytetrafluoroethylene (PTFE) Resin from India: Third Supplemental Questionnaire for the Government of India,” dated February 5, 2018.

³⁹ See GOI IQR; *see also* GOI SQR.

⁴⁰ See GOI SQR at 20; *see also* GOI SQR3 at 9.

⁴¹ See GOI SQR at 38-39; *see also* GOI SQR3 at 11.

⁴² See GOI IQR at 51-52, GOI SQR at 10; *see also* GOI SQR3 at 15.

Thus, Commerce must rely on “facts available” in making our preliminary determination, in accordance with sections 776(a)(1), 776(a)(2)(A) and (C) of the Act. Moreover, we preliminarily determine that the GOI failed to cooperate by not acting to the best of its ability to comply with our request for information. Consequently, an adverse inference is warranted in the application of facts available, pursuant to section 776(b) of the Act. In applying AFA, we find that the Section 32AC of the Income Tax Act program, the Renewable Energy Certificate program, and the Exemption from Electricity Duty program constitute a financial contribution, within the meaning of section 771(5)(D) of the Act and that all three programs are specific, within the meaning of section 771(5A) of the Act.⁴³ We are preliminarily relying on AFA, because we find that the GOI has not cooperated to the best of its ability. However, because the respondent has reported its usage of these three programs, we are relying on the respondent’s reported information to calculate the benefit, within the meaning of section 771(5)(E) of the Act.

IX. Analysis of Programs

Based upon our analysis of the record and the responses to our questionnaires, we preliminarily determine the following:

A. Programs Preliminarily Determined to Be Countervailable

1. Export Promotion of Capital Goods Scheme (EPCGS)

The GOI reported that EPCGS provides for a reduction of or exemption from customs duties and excise taxes on imports of capital goods used in the production of exported products.⁴⁴ Under this program, producers are granted reduced duty rates on imported capital equipment in return for a commitment to earn convertible foreign currency equal to a multiple of the duty saved within a period of a certain number of years.⁴⁵ If the company fails to meet the export obligation, the company is subject to payment of all or part of the duty reduction, depending on the extent of the shortfall in foreign currency earnings, in addition to an interest penalty.⁴⁶

Commerce has previously determined that import duty reductions or exemptions provided under EPCGS are countervailable export subsidies because the scheme: (1) provides a financial contribution pursuant to section 771(5)(D)(ii) of the Act; (2) provides two different benefits (*see below*) under section 771(5)(E) of the Act; and (3) is specific pursuant to sections 771(5A)(A) and (B) of the Act because the program is contingent upon export performance.⁴⁷ Because there is no new evidence on the record of this investigation that indicates any changes to the operation

⁴³ See GOI SQR at 11, 17, and 39; *see also* the Petition at 62.

⁴⁴ See GOI IQR at 7.

⁴⁵ *Id.* at Exhibits C and D.

⁴⁶ *Id.* at Exhibit D.

⁴⁷ See, e.g., *Notice of Final Affirmative Countervailing Duty Determination: Polyethylene Terephthalate Film, Sheet, and Strip (PET Film) from India*, 67 FR 34905 (May 16, 2002) (*PET Film Final Determination*), and accompanying IDM at “EPCGS” section; *see also* *Certain Frozen Warmwater Shrimp from India: Final Affirmative Countervailing Duty Determination*, 78 FR 50385 (August 19, 2013) (*Shrimp from India Final Determination*) and accompanying IDM at 14.

of this program since Commerce's previous findings, we preliminarily determine that this program is countervailable.⁴⁸

Under EPCGS, the exempted import duties become payable to the GOI if the accompanying export obligations are not met.⁴⁹ Pursuant to 19 CFR 351.505(d)(1), Commerce treats any balance on an unpaid liability that may be waived in the future as a contingent-liability interest-free loan.⁵⁰ Because the unpaid duties constitute a liability contingent on subsequent events, we treat the amount of unpaid duty liabilities as interest-free contingent-liability loans. We find that the amount of duties the respondent would have paid during the POI, had it borrowed the full amount of the duty reduction or exemption at the time of importation, constitutes the first benefit under EPCGS. Further, a second benefit arises based on the amount of duty finally waived by the GOI on imports of capital equipment covered by those EPCGS licenses for which the export requirement had already been met. With regards to licenses for which GFL has completed its export obligation, we treat the waived import duties as grants received in the year in which the GOI granted the final waiver to 19 CFR 351.505(d)(2). For its imports of capital goods under this program, GFL has reported that it has completed the export obligation for some of these imports, while others it has yet to complete required export obligations. As such, we preliminarily find GFL received both types of benefits (*i.e.*, interest-free loans and grants) under this program.⁵¹

Import duty exemptions under this program are approved for the purchase of capital equipment. The *CVD Preamble* states that, if a government provides an import duty exemption tied to major equipment purchases, "it may be reasonable to conclude that, because these duty exemptions are tied to capital assets, the benefits from such duty exemptions should be considered non-recurring..."⁵² Therefore, in accordance with 19 CFR 351.524(c)(2)(iii) and past practice, we are treating these final import duty exemptions on capital equipment as non-recurring benefits.

Based on the information and the documentation that GFL submitted, we cannot reliably determine that the EPCGS licenses are tied to the production of a particular product within the meaning of 19 CFR 351.525(b)(5). As such, we preliminarily find that all of GFL's EPCGS licenses benefit all of the company's exports.⁵³

To calculate the benefit received from the GOI's formal waiver of import duties on capital equipment imports where its export obligations were met prior to the end of the POI, we considered the total amount of duties waived, *i.e.*, the calculated duties payable, less the duties

⁴⁸ See *Finished Carbon Steel Flanges from India: Preliminary Affirmative Countervailing Duty Determination*, 81 FR 85928 (November 29, 2016) (*Steel Flanges from India Preliminary Determination*), and accompanying Preliminary Determination Memorandum (PDM) at 13; affirmed in *Finished Carbon Steel Flanges from India: Final Affirmative Countervailing Duty Determination*, 82 FR 29479 (June 29, 2017) (*Steel Flanges from India Final Determination*).

⁴⁹ See GOI IQR at Exhibits C and D.

⁵⁰ See *Steel Flanges from India Preliminary Determination* and accompanying PDM at 13; affirmed in *Steel Flanges from India Final Determination*.

⁵¹ See GFL IQR at Exhibit 10.

⁵² See *CVD Preamble*, 63 FR at 65393.

⁵³ *Id.*

actually paid at the time of import, net of required application fees, in accordance with section 771(6) of the Act, to be the benefit and treated these amounts as grants pursuant to 19 CFR 351.504. Further, consistent with the approach followed in previous investigations, we preliminarily determine the year of receipt of the benefit to be the year in which the GOI formally waived GFL's outstanding import duties.⁵⁴ Next, we performed the "0.5 percent test," as prescribed under 19 CFR 351.524(b)(2), for the total value of duties waived for each year in which the GOI granted GFL an import duty waiver. For any years in which the value of the waived import duties was less than 0.5 percent of GFL's total export sales, we allocated the value of the duty waived to the year of receipt. For each year of the AUL, the duties for which GFL was granted final waiver had values of less than 0.5 percent of GFL's total export sales and, therefore, the benefits were expensed in the year of receipt. GFL did not receive any final duty waivers during the POI.

As noted above, import duty reductions that GFL received on the imports of capital equipment for which it had not yet met export obligations may have to be repaid to the GOI if the obligations under the license are not met. Consistent with our practice and prior determinations, we are treating the unpaid import duty liability as an interest-free loan.⁵⁵

The amount of unpaid duty liabilities to be treated as an interest-free loan is the amount of import duty reduction or exemption for which the respondent applied, but had not been officially waived by the GOI, as of the end of the POI. Accordingly, we find the benefit to be the interest that the respondent would have paid during the POI had it borrowed the full amount of the duty reduction or exemption at the time of importation.

As discussed above, the time period for fulfilling the export requirement expires a certain number of years after importation of the capital good. As such, pursuant to 19 CFR 351.505(d)(1), the benchmark for measuring the benefit is a long-term interest rate, because the event upon which repayment of duties depends (*i.e.*, the date of expiration of the time period to fulfill the export commitment), occurs at a point in time that is more than one year after the date of importation of the capital goods. As the benchmark interest rate, we used the long-term interest rate as discussed in the "Benchmarks and Discount Rates" section, above. We then multiplied the total amount of unpaid duties under each license by the long-term benchmark interest rate for the year in which the capital good was imported; we summed these amounts to determine the total benefit. For EPCGS licenses with duty free imports made during the POI, we calculated the relevant interest based on the number of days the loan was outstanding during the POI.

The benefit received under EPCGS is the sum of: (1) the benefit attributable to the POI from the formally-waived duties for imports of capital equipment for which the respondents met export requirements by the end of the POI (in this case, because none of these benefits passed the 0.5 percent test, none were allocated over the AUL, and they provide no benefits during the POI); and (2) the interest that would have been due had the respondent borrowed the full amount of the duty reduction or exemption at the time of the importation for imports of capital equipment that

⁵⁴ See *PET Film Final Determination*, and accompanying IDM at Comment 5.

⁵⁵ See, *e.g.*, *Steel Flanges from India Preliminary Determination*, and accompanying PDM at 15; affirmed in *Steel Flanges from India Final Determination*.

have unmet export requirements during the POI. We divided the total benefit received by GFL under EPCGS by the total exports sales of GFL during the POI, as described above.

On this basis, we preliminarily determine a countervailable subsidy rate of 0.15 percent *ad valorem* for GFL.⁵⁶

2. *Advance Authorization Program (AAP) aka Advance License Program (ALP)*

Under the AAP, exporters may import, duty free, specified quantities of materials required to manufacture products that are subsequently exported.⁵⁷ The exporting companies, however, remain liable for the unpaid duties until they have fulfilled their export requirement.⁵⁸ The quantities of imported materials and exported finished products are linked through standard input-output norms (SIONs) established by the GOI.⁵⁹ During the POI, GFL used advance licenses to import certain materials duty free.⁶⁰

Import duty exemptions on inputs for exported products are not countervailable if the exemption extends only to inputs consumed in the production of the exported product, making normal allowances for waste.⁶¹ However, the government in question must have in place and apply a system to confirm which inputs are consumed in the production of the exported products, and in what amounts.⁶² This system must be reasonable, effective for the purposes intended, and based on generally accepted commercial practices in the country of export.⁶³ If such a system does not exist, or if it is not applied effectively, and the government in question does not carry out an examination of actual inputs involved to confirm which inputs are consumed in the production of the exported product, the entire amount of any exemption, deferral, remission, or drawback is countervailable.⁶⁴

In the 2005 administrative review of countervailing duty order on *Polyethylene Terephthalate Film, Sheet, and Strip (PET Film) from India*, the GOI indicated that it had revised its Foreign Trade Policy and Handbook of Procedures for the AAP during 2005. Commerce acknowledged that certain improvements to the AAP system were made. However, Commerce found that, based on the information submitted by the GOI and examined during previous reviews of that proceeding, and no information having been submitted for that review demonstrating that the GOI had revised its laws or procedures governing this program since those earlier reviews, systemic issues continued to exist in the AAP system during that period of review.⁶⁵

⁵⁶ See GFL Preliminary Calculation Memorandum.

⁵⁷ See GOI IQR at Exhibits C and D; *see also* GFL IQR at Exhibit 25.

⁵⁸ See GOI SQR at 34.

⁵⁹ See GOI IQR at Exhibits C and D.

⁶⁰ See GFL IQR at Exhibits 20.1 and 20.2.

⁶¹ See 19 CFR 351.519(a)(1)(ii).

⁶² See, e.g., *Shrimp from India Final Determination* and accompanying IDM at “Duty Drawback (DDB).”

⁶³ *Id.*

⁶⁴ See 19 CFR 351.519(a)(4)(i)-(ii).

⁶⁵ See *Final Results of Countervailing Duty Administrative Review: Polyethylene Terephthalate Film, Sheet, and Strip from India*, 73 FR 7708 (February 11, 2008) (*2005 Review of PET Film from India*), and accompanying IDM at Comment 3.

Specifically, in the 2005 administrative review, Commerce stated that it continued to find the AAP countervailable based on:

the GOI's lack of a system or procedure to confirm which inputs are consumed in the production of the exported products and in what amounts that is reasonable and effective for the purposes intended, as required under 19 CFR 351.519. Specifically, we still have concerns with regard to several aspects of the ALP including (1) the GOI's inability to provide the SION calculations that reflect the production experience of the PET Film industry as a whole; (2) the lack of evidence regarding the implementation of penalties for companies not meeting the export requirements under the ALP or for claiming excessive credits; and, (3) the availability of ALP benefits for a broad category of "deemed" exports.⁶⁶

Since that *2005 Review of PET Film from India*, Commerce has, in several other proceedings, made determinations consistent with this treatment of the AAP.⁶⁷ In this investigation, record evidence does not show any change to the AAP program and therefore we preliminarily find that the program confers a countervailable subsidy because: (1) a financial contribution, as defined under section 771(5)(D)(ii) of the Act, is provided under the program, as the GOI exempts the respondent from payment of import duties that would otherwise be due; (2) the GOI does not have in place, and does not apply, a system that is reasonable and effective for the purposes intended in accordance with 19 CFR 351.519(a)(4), to confirm which inputs, and in what amounts, are consumed in the production of the exported product, making normal allowance for waste, nor did the GOI carry out an examination of actual inputs involved to confirm which inputs are consumed in the production of the exported product, and in what amounts; thus the entire amount of the import duty deferral or exemption provided to the respondent constitutes a benefit under section 771(5)(E) of the Act; and (3) this program is specific under section 771(5A)(B) of the Act because it is contingent upon exportation.⁶⁸

Pursuant to 19 CFR 351.524(c)(1), the exemption of import duties on raw material inputs normally provides a recurring benefit.⁶⁹ During the POI, GFL imported duty free inputs under the AAP for the production of subject merchandise and non-subject merchandise.⁷⁰ In response to Commerce's questionnaire, GFL provided supporting documentation regarding its AAP licenses.⁷¹ The information provided demonstrates that the at the point of bestowal, the licenses provided to GFL were tied, within the meaning of 19 CFR 351.525(b)(5), to the production and export of specific merchandise, both subject merchandise and non-subject merchandise.⁷² Thus,

⁶⁶ *Id.*

⁶⁷ See, e.g., *Certain Oil Country Tubular Goods from India: Final Affirmative Countervailing Duty Determination and Partial Final Affirmative Determination of Critical Circumstances*, 79 FR 41967 (July 18, 2014) (*Oil Country Tubular Goods from India Final*), and accompanying IDM; see also *Certain Lined Paper Products from India: Final Results of Countervailing Duty Administrative Review; Calendar Year 2012*, 80 FR 19637 (April 13, 2015), and accompanying IDM.

⁶⁸ See GOI IQR at Exhibits C and D; see also GOI SQR at 33; see also GFL IQR at 34-38.

⁶⁹ See, e.g., *Oil Country Tubular Goods from India Final*, and accompanying IDM.

⁷⁰ See GFL SQR at Exhibits SUPP-17 and SUPP-18.

⁷¹ *Id.* at Exhibits SUPP-19 through SUPP-26.

⁷² *Id.* at Exhibits SUPP-17 through SUPP-26.

to calculate the benefit for GFL, we first determined the total value of import duties exempted during the POI for GFL under AAP licenses tied to subject merchandise. To calculate the subsidy rate, we divided the resulting benefit by the value of GFL's POI export sales of subject merchandise.

On this basis, we preliminarily determine a countervailable subsidy rate of 0.99 percent *ad valorem* for GFL.⁷³

3. *Status Holders Incentive Scrip (SHIS)*

The SHIS was introduced in 2009 with the objective of promoting investment in upgrading technology in specific sectors.⁷⁴ "Status Holders" under the GOI's listing of specified exported products receive incentive scrip (or credit) equal to one percent of the FOB value of the exports; this SHIS license scrip can be used to offset duties on imports of capital goods,⁷⁵ and can also be transferred to another Status Holder who may also use it to offset duties on imports of capital goods.⁷⁶

This program is countervailable, because it provides a financial contribution in the form of a grant in the amount of duty credit scrip provided.⁷⁷ Further, it is specific under sections 771(5A)(A) and (B) of the Act because it is limited to exporters.⁷⁸ A benefit is also provided under the SHIS program under section 771(5)(E) of the Act and 19 CFR 351.519 in the amount of the scrip granted to the recipient.⁷⁹

Record information states that import duty exemptions under this program are provided for the purchase of capital equipment.⁸⁰ The *CVD Preamble* states that, if a government provides an import duty exemption tied to major equipment purchases, "it may be reasonable to conclude that, because these duty exemptions are tied to capital assets, the benefits from such duty exemptions should be considered non-recurring...."⁸¹ In accordance with 19 CFR 351.524(c)(2)(iii) and past practice, we are treating these import duty exemptions on capital equipment as non-recurring benefits.⁸²

GFL reported that it received SHIS license scrips to import capital goods duty free during the AUL.⁸³ Information provided by GFL indicates that its SHIS license scrips were issued for the

⁷³ See GFL Preliminary Calculation Memorandum.

⁷⁴ See GFL IQR at 39 and Exhibit 25.

⁷⁵ *Id.*

⁷⁶ *Id.*

⁷⁷ *Id.*

⁷⁸ *Id.*

⁷⁹ See *Steel Flanges from India Preliminary Determination*, and accompanying PDM at 18 (citing *Steel Threaded Rod from India: Final Affirmative Countervailing Duty Determination and Partial Final Affirmative Determination of Critical Circumstances*, 79 FR 40712 (July 14, 2014) (*Steel Threaded Rod from India*), and accompanying IDM, at "Status Holder Incentive Scrip").

⁸⁰ See GFL IQR at Exhibit 25.

⁸¹ See *Countervailing Duties*, 63 FR at 65393.

⁸² See *Steel Threaded Rod from India*, and accompanying IDM at "Status Holder Incentive Scrip."

⁸³ See GFL IQR at 39 and Exhibit 24.1.

purchase of capital goods used for the production of exported goods, so we are attributing the SHIS benefits received by GFL to its total exports.⁸⁴

The SHIS scrip represents a non-recurring benefit that is not automatically received, and the amount of said benefit is not known to the recipient at the time of receipt of the scrip.⁸⁵ Although Commerce's regulations stipulate that we will normally consider the benefit as having been received as of the date of exportation,⁸⁶ because the SHIS benefit amount is not automatic and is not known to the exporter until well after the exports are made, the SHIS licenses as issued by the GOI, which contain the date of validity and the duty exemption amount, are the best method to determine and account for when the benefit is received.⁸⁷

We performed the "0.5 percent test," as prescribed under 19 CFR 351.524(b)(2), for the total value of the exempted customs duties for the years in which GFL received such SHIS licenses and determined to allocate the benefits across the AUL. GFL's licenses had values greater than 0.5 percent of its total export sales in years prior to the POI, and were, therefore, allocated over the AUL period. To calculate the subsidy rate, we divided the resulting benefit by the value of GFL's POI export sales of subject merchandise.

On this basis, we preliminarily determine a countervailable subsidy rate of 0.19 percent *ad valorem* for GFL.⁸⁸

4. *Exemption from Electricity Duty*

GFL reported use of the Exemption from Electricity Duty program and provided supporting documentation.⁸⁹ GFL reported benefiting from two different types of electricity duty exemptions. Regarding the first type of exemption, section 3(2)(vii) and (viii) of the Gujarat Electricity Duty Act, 1958, provides exempted electricity duties on power consumed by a new industrial undertaking. GFL reported a benefit from a duty exemption for its "additional units" in its new plants within the Dahej Manufacturing Unit.⁹⁰ Regarding the second type of exemption, GFL reported a benefit from a duty exemption for its wind power generation in accordance with provision 6 of the State Government of Gujarat's Wind Power Policy – 2013.⁹¹

As noted above in the "Use of Facts Otherwise Available," section, we normally rely on the government to provide specific program information with regards to the administration and specificity of programs. Because the GOI did not provide any information regarding this program, we are not able to confirm GFL's description of how this program is administered;

⁸⁴ *Id.*

⁸⁵ See *Steel Threaded Rod from India*, and accompanying IDM at "Status Holder Incentive Scrip."

⁸⁶ See 19 CFR 351.519(b)(1).

⁸⁷ See *Polyethylene Terephthalate Film, Sheet, and Strip from India: Final Results of Countervailing Duty Administrative Review; 2012*, 80 FR 11163, (March 2, 2015) (*PET Film Final Results 2012 Review*), and accompanying IDM at 21 and Comment 3.

⁸⁸ See GFL Preliminary Calculation Memorandum.

⁸⁹ See GFL IQR at 52 and Exhibits 31 and 32.

⁹⁰ *Id.* at 52.

⁹¹ *Id.* at 54.

therefore, as discussed above, we are finding that an adverse inference in selecting from the facts otherwise available is warranted in determining whether the GOI provided a financial contribution through this program. Consequently, as AFA, we preliminarily determine that the GOI conferred a financial contribution and we find this program specific within the meaning of sections 771(5)(D) and 771(5A)(D) of the Act, respectively.⁹² For both of these duty exemptions, GFL reported being exempted from the payment of electricity duty during the POI, thus conferring a benefit pursuant to section 771(5)(E) of the Act in the amount of the exempted electricity duties.

Because GFL provided information regarding the benefits it received under this program during the POI, we are relying on this information to calculate the countervailable subsidy rate. To calculate the subsidy rate, we divided the combined benefit received by GFL during the POI from the two elements of this program, the additional units and the wind turbine generators, by GFL's total sales during the POI.

On this basis, we preliminarily determine a countervailable subsidy rate of 1.45 percent *ad valorem* for GFL.⁹³

5. *State Government of Gujarat (SGOG) Preferential Water Rates*

The Gujarat Industrial Development Corporation (GIDC) is the agency created by the SGOG for facilitating industrial development in the state of Gujarat and establishes industry-ready land with basic infrastructure such as roads, water, and power availability, which is then leased out to manufacturers.⁹⁴ The GIDC is fully controlled by the SGOG, which issues binding directives to the GIDC, provides funding to the GIDC, sanctions the budget of the GIDC, and selects the areas where the GIDC will establish industrial estates within Gujarat.⁹⁵ GFL has an active production facility in a GIDC industrial estate that uses GIDC water.⁹⁶

Under the GIDC Water Supply Regulation of 1991, all companies located in a GIDC estate where the GIDC provides access to water must use that water.⁹⁷ Under the regulations, water is supplied through the GIDC, which controls the supply and sets and alters the rates charged, and can be made available to companies located outside of the estates.⁹⁸ The regulation also states that if a water connection is given to premises outside the limits of the estate, water charges shall be calculated at double the prevailing rates for water in the estate.⁹⁹

Because GIDC is the dispensing agency for funds appropriated by the SGOG for the development of industrial estates, it builds estates in locations as directed by the SGOG, and administers them according to directives and policies set by the SGOG. The jurisdiction of the authority providing the subsidy is the entire state of Gujarat. The rates set by the GIDC apply

⁹² See the Petition at 62.

⁹³ See GFL Preliminary Calculation Memorandum.

⁹⁴ See GOI SQR2 at 2.

⁹⁵ *Id.* at Exhibit 1.

⁹⁶ See GFL SQR at 10 and Exhibits 37.

⁹⁷ See GOI SQR2 at 7 and Exhibit 9.

⁹⁸ *Id.* at Exhibit 9.

⁹⁹ *Id.*

only to those enterprises located within its estates. Information provided by the GOI indicates that the GIDC industrial estates are a designated area under the jurisdiction of the SGOG, and that the provision of water at the discounted rate is limited by law to enterprises or industries within a designated geographical region within the jurisdiction of the authority providing the subsidy.

We preliminarily find that this program is regionally specific, in accordance with section 771(5A)(D)(iv) of the Act.¹⁰⁰ Commerce has previously found that the GIDC, in setting the rates for water in the industrial estates, charged companies located outside the estate double the rate for water that it charges to companies located inside the industrial estates.¹⁰¹ Because the GIDC, as the administering agency of the SGOG, sets the rates and supplies the water used by GFL, Commerce finds the 50 percent price discount for enterprises within the GIDC industrial estates constitutes a financial contribution in the form of revenue foregone under section 771(5)(D)(ii) of the Act.¹⁰² The record demonstrates that the discount scheme described above was available to, and used by, GFL and that water was provided to customers outside of the estate at twice the rate.¹⁰³ Accordingly, we find that this program confers a benefit, *i.e.*, the 50 percent discounted rate, within the meaning of section 771(5)(E) of the Act.

To calculate the benefit to GFL, we compared the actual amount it paid for water during the POI at its Dahej Plant, which is located in a GIDC industrial estate, to the amount it would have paid were it not located within the estate. We then divided that difference by GFL's total sales during the POI.

On this basis, we preliminarily determine a countervailable subsidy rate of 0.75 percent *ad valorem* for GFL.¹⁰⁴

6. Renewable Energy Certificate

GFL explained that the Renewable Energy Certificate (REC) program was created by the GOI as part of the government's effort to reduce the carbon footprint in India.¹⁰⁵ The GOI identifies energy intensive consumers (*i.e.*, a "designated consumer") and requires them, through the Central Electricity Regulatory Commission (CERC), to generate a certain percentage of green energy either from self-generation or by purchasing RECs through a CERC administered power exchange.¹⁰⁶ The CERC sets the price of one REC, which is equivalent to one MWH, depending upon the demand and supply in the CERC administered power exchange.¹⁰⁷ GFL reported that it generated a number of RECs during the POI through its captive windfarm.¹⁰⁸ The company then

¹⁰⁰ *Id.*

¹⁰¹ See *Countervailing Duty Investigation of Welded Stainless Pressure Pipe from India: Final Affirmative Determination*, 81 FR 66925 (September 29, 2016) and accompanying IDM at Comment 7.

¹⁰² See GOI SQR2 at Exhibit 9.

¹⁰³ *Id.* at Exhibit 9; see also GFL SQR at Exhibit 37.

¹⁰⁴ See GFL Preliminary Calculation Memorandum.

¹⁰⁵ See GFL SQR at 20.

¹⁰⁶ *Id.* at 21.

¹⁰⁷ *Id.* and Exhibit SUP-51.

¹⁰⁸ *Id.*

sold the RECs during the POI on a power exchange at a floor price set by the CERC. These RECs are made available for purchase by designated consumers that need to meet their CERC-defined “Renewable Purchase Obligation.”¹⁰⁹ While GFL’s projects must be recredited every five years, the actual number of RECs granted to GFL is determined on a yearly basis.¹¹⁰

As noted above in the “Use of Facts Otherwise Available,” section, we normally rely on the government to provide specific program information with regards to the administration and specificity of programs. Because the GOI did not provide any information regarding this program, we are not able to confirm GFL’s description of how this program is administered; therefore, as discussed above, we are finding, as AFA, that this program constitutes a financial contribution and provides a benefit under section 771(5)(D)(i) of the Act and 19 CFR 351.504, respectively.¹¹¹ As AFA, we preliminarily determine that this program is *de facto* specific, pursuant to section 771(5A)(D)(iii)(I) of the Act.¹¹² In addition, we determine that this program constitutes a grant, pursuant to 19 CFR 351.504. Since, these benefits under this program are determined on a year to year basis, we are treating the amounts as recurring grants.

To calculate the countervailable subsidy, we used our standard methodology for recurring grants. We divided the POI-benefit amount received by GFL for the RECs it sold during the POI by GFL’s total sales, in accordance with the attribution analysis described above, to arrive at a total countervailable subsidy rate.

On this basis, we preliminarily determine a countervailable subsidy rate of 0.37 percent *ad valorem* for GFL.¹¹³

B. Programs Preliminarily Determined Not to Confer a Measurable Benefit During the POI

Government of India Programs

1. SGOG Provision of Land for Less than Adequate Remuneration (LTAR)

GFL reported that it leases land in Gujarat through the GIDC, which is an agency of the SGOG.¹¹⁴ The SGOG established the GIDC in 1962 “to make {the} GIDC an effective, vibrant and timely provider of quality industrial infrastructure with {an} easy, quick and transparent delivery mechanism at competitive pricing. . . .”¹¹⁵ In practice, the GIDC purchases land in Gujarat, develops infrastructure such as roads, streetlights, water, *etc.*, and then leases the land

¹⁰⁹ *Id.* at 21 and Exhibit SUPP-53.

¹¹⁰ *Id.* at 20 and Exhibit SUPP-49.

¹¹¹ See GFL IQR at 64 and Exhibit 34.

¹¹² The applications and approval documents that GFL provided for its use of the program indicate this program is *de facto* specific, because it is limited to companies that generate renewable energy. See GFL IQR at Exhibit 35; see also GFL SQR at 48.

¹¹³ See GFL Preliminary Calculation Memorandum.

¹¹⁴ See GFL IQR at 47 and Exhibit 28.1; see also GFL SQR at Exhibit SUPP-67.

¹¹⁵ See GOI SQR2 at 2.

on a 99-year basis to industrial enterprises.¹¹⁶ Regarding these leases, the GOI notes that the GIDC “offers {a} reasonable allotment price with soft payment options.”¹¹⁷ Because the GIDC is an agency of the SGOG, we preliminarily determine that the GIDC is an “authority,” as defined by section 771(5)(B) of the Act.¹¹⁸ As a result, we find that the provision to GFL of land-use rights by an authority constitutes the provision of a good and, therefore, is a financial contribution, as defined by section 771(5)(D)(iii) of the Act. We also determine that the GIDC’s provision of land-use rights to GFL based on its location is regionally specific within the meaning of section 771(5A)(D)(iv) of the Act, because it is only available in areas designated as industrial estates inside the State of Gujarat.

The adequacy of remuneration for government-provided goods or services is determined pursuant to 19 CFR 351.511(a)(2). Under 19 CFR 351.511(a)(2), Commerce measures the remuneration received by a government for goods or services against comparable benchmark prices to determine whether the government provided goods or services for LTAR. These potential benchmarks are listed in hierarchical order by preference: (1) market prices from actual transactions within the country under investigation (*e.g.*, actual sales, actual imports or competitively run government auctions) (tier one); (2) world market prices that would be available to purchasers in the country under investigation (tier two); or (3) an assessment of whether the government price is consistent with market principles (tier three). As provided in our regulations, the preferred benchmark in the hierarchy is an observed market price from actual transactions within the country under investigation (*i.e.*, tier one). This is because such prices generally would be expected to reflect most closely the prevailing market conditions of the purchaser under investigation.

GFL provided benchmark information for evaluating whether land was provided to the respondent for LTAR.¹¹⁹ GFL noted that this benchmark is “the market value rates for land in the Ambheta Village in Vagra, Bharuch District in Gujarat determined by the Stamp Duty Valuation Organization that were applicable in June 2006.”¹²⁰ GFL further noted that “the State of Gujarat prepares {this} in the normal course of business.”¹²¹ However, these land value rates were not generated by an independent third party and are not transaction-specific. Furthermore, the land rates provided by GFL are not actual transactions but, rather, a price valuation of the land. As a result, for this preliminary determination, we find that we cannot rely on GFL’s Land Benchmark Submission as a benchmark to determine whether land was provided for LTAR. GFL also provided several private land transactions it conducted in the state of Gujarat.¹²²

¹¹⁶ *Id.*

¹¹⁷ *Id.* at 4.

¹¹⁸ *Id.* at 2.

¹¹⁹ See Letter from GFL, “Polytetrafluoroethylene Resin from India; Gujarat Fluorochemicals Limited’s Benchmark Submission,” dated February 1, 2018 at Exhibit 1 (Land Benchmark Submission).

¹²⁰ *Id.* at 1.

¹²¹ *Id.*

¹²² See GFL SQR at Supp-36.

The petitioner provided a tier-three benchmark for industrial land in Singapore.¹²³ The petitioner argued that the intervention of the SGOG in purchasing industrial land in the state of Gujarat caused distortion in the industrial land market.¹²⁴ It contends that using a tier-one benchmark composed of GFL's private market transactions would not reflect a market-based transaction.¹²⁵ Therefore, it claimed that Commerce should use industrial land in Singapore as a benchmark based upon its geographic proximity and comparable economic level of development.

As noted above, it is Commerce's preference to use a transaction-specific benchmark derived from the country under investigation. Although the petitioner contended that Indian land prices are distorted by significant government intervention, it did not demonstrate the existence of significant government intervention that had an effect on land prices or that invalidated the market principles of their private land transaction in Gujarat in such a way that would make it necessary to use a tier-three benchmark. Further, the petitioner did not demonstrate that Singapore is at a comparable level of development that offers a better means of comparison than a private land transaction in India. Therefore, based upon the record evidence, we preliminarily determine that GFL's most contemporaneous private land transaction in Gujarat, as noted above, represents the best comparable land value on the record to use as a benchmark. This transaction has a rate for land obtained within India (*i.e.*, in the state of Gujarat) and is, therefore, geographically proximate and was privately purchased.

To calculate the benefit, we compared GFL's private land transaction benchmark with the prices at which GFL leased land from the GIDC. We conducted the "0.5 percent test," as instructed by 19 CFR 351.524(b)(2), for the years of the relevant GIDC leases by dividing the total unallocated benefit for the tracts of land for the corresponding years by the appropriate sales denominator. If more than one tract was provided in a single year, we combined the total unallocated benefits from the tracts before conducting the "0.5 percent test." We found that the benefits were less than 0.5 percent of the relevant sales for the particular years; therefore, we preliminarily determine that GFL did not receive a benefit under this program.

2. *Duty Drawback Program (DDB)*

GFL reported that it used this program.¹²⁶ The GOI explained that the DDB Program provides rebates for duty or tax chargeable on any: (a) imported or excisable materials; and (b) input services used in the manufacture of export goods.¹²⁷ Specifically, the duties and tax "neutralized" under the program are the (i) Customs and Union Excise Duties for inputs and (ii) Service Tax for services.¹²⁸ The amount of the duty drawback is generally fixed as a percentage of the free on board (FOB) price of the exported product.¹²⁹

¹²³ See Letter from the petitioner, "Polytetrafluoroethylene (PTFE) Resin from India: Chemours' Factual Information Submission," dated February 16, 2018 at Attachment 2.

¹²⁴ See Letter from the petitioner, "Polytetrafluoroethylene (PTFE) Resin from India: Response to GFL's Rebuttal Pre-Preliminary Comments," dated February 22, 2018 at 8.

¹²⁵ *Id.*

¹²⁶ See GFL IQR at Exhibit 16.

¹²⁷ See GOI IQR at 23.

¹²⁸ *Id.*

¹²⁹ *Id.* at 20 and 23.

Consistent with previous determinations, we find that the GOI's response lacks the documentation to demonstrate that the GOI has a system in place to confirm which inputs are consumed in the production of the exported products, and in what amounts. Therefore, we preliminarily determine that the GOI has not supported its claim that its system is reasonable or effective for the purposes intended.¹³⁰ Accordingly, we preliminarily determine that the DDB Program confers a countervailable subsidy. Under the DDB Program, a financial contribution, as defined under section 771(5)(D)(ii) of the Act, is provided because rebated duties represent revenue forgone by the GOI. Moreover, as explained above, the GOI has not supported its claim that the DDB Program system is reasonable and effective in confirming which inputs, and in what amounts, are consumed in the production of the exported product.¹³¹ Further, this program is available only to exporters; therefore, it is specific under sections 771(5A)(A) and (B) of the Act.

Pursuant to 19 CFR 351.519(b)(1), we find that benefits from the DDB Program are conferred at a rate of three percent of the FOB value of exports, and are granted at the time of exportation. GFL reported that it received benefits only on the basis of its exports to the United States of non-subject merchandise.¹³² In accordance with 19 CFR 351.525(b)(4) and (5), when a subsidy is tied to a certain product or market, we will attribute that subsidy to only that product or market.¹³³ Therefore, because GFL did not receive benefits during the POI under this program on its exports of subject merchandise to the United States, we preliminary determine that this program is not used with regard to GFL's export of subject merchandise during the POI.¹³⁴

3. *Merchandise Exports from India Scheme (MEIS)*

GFL reported receiving benefits from MEIS during the POI.¹³⁵ The GOI explained that the MEIS was introduced in the Foreign Trade Policy (FTP) 2015-2020.¹³⁶ Its purpose is to "offset infrastructural inefficiencies and associated costs involved in export of goods/products, which are produced/manufactured in India, especially those having high export intensity, employment potential and thereby enhancing India's export competitiveness."¹³⁷ Under this program, the GOI issues a scrip worth either two, three, or five percent of the FOB value of the "exports in free foreign exchange, or on the FOB value of exports, as given on the shipping bills in free foreign exchange, whichever is less."¹³⁸ To receive the scrip, a recipient must file an electronic application and supporting shipping documentation for each port of export with the Director General of Foreign Trade (DGFT).¹³⁹ After a recipient receives and registers the scrip, it may

¹³⁰ See e.g., *Shrimp from India Final Determination*, and accompanying IDM at "Duty Drawback (DDB)."

¹³¹ See GOI IQR at 22-23.

¹³² See GFL IQR at Exhibit 16.

¹³³ *Id.*

¹³⁴ *Id.*

¹³⁵ See GFL SQR at 22, 25, and Exhibit 56.

¹³⁶ See GOI IQR at Exhibits C and D; see also GOI SQR at 37.

¹³⁷ See GOI SQR at 37.

¹³⁸ See GFL IQR at 44; see also GOI IQR at Exhibit C.

¹³⁹ See GOI IQR at Exhibit D.

use it for either the payment of future customs duties for importing goods or transfer it to another company.¹⁴⁰

This program is specific within the meaning of sections 771(5A)(A) and (B) of the Act, because eligibility to receive the scrips is contingent upon exports.¹⁴¹ This program provides a financial contribution in the form of a grant equal to the value of the scrips which GFL can use to pay import duties or to sell the scrips in the market.¹⁴² According to record evidence, MEIS is a continuous program and, thus, is recurring in nature.¹⁴³ This program, therefore, provides a recurring benefit.¹⁴⁴ Furthermore, recipients can expect to receive additional subsidies under this same program on an ongoing basis from year to year under 19 CFR 351.524(c)(2)(i).

The MEIS licenses, which contain the date of validity and the value of the scrip granted as issued by the GOI, are the best method to determine the amount and the timing of the benefit.¹⁴⁵ GFL reported that it generated scrips from exports of non-subject merchandise and not from subject merchandise. Further, PTFE resin is not an eligible product for generating scrips under MEIS.¹⁴⁶ However, GFL used some scrips that it earned from exports of non-subject merchandise to pay for duties on inputs used in the production of subject merchandise. Because we find this program to be tied only to exports on the GOI list and we calculated that benefit at the time of when the scrip was given to GFL, GFL's use of the scrips on inputs used for subject merchandise occurs after the GOI issues the scrip and is, therefore, not included in any potential benefit. Further, because we are preliminarily finding that the MEIS program is tied to particular products listed by the GOI for eligibility on generating scrips and because GFL did not earn any scrips on the export of subject merchandise, we preliminarily determine that GFL did not benefit from this program.¹⁴⁷

C. Programs that are Preliminarily Determined to be Not Used

GFL reported that it did not apply for or receive benefits under the following programs during the POI or over the AUL period:

GOI Programs

1. Income Tax Exemption Scheme (80-IA)

¹⁴⁰ *Id.* at Exhibits C and D.

¹⁴¹ See GOI IQR at Exhibits C and D; *see also* GFL IQR at 44-45.

¹⁴² *Id.* at 22-24 and Exhibits SUPP-74 through SUPP-78.

¹⁴³ See GOI IQR at Exhibits C and D.

¹⁴⁴ *Id.*

¹⁴⁵ See *Polyethylene Terephthalate Film, Sheet and Strip from India: Preliminary Results And Partial Rescission of Countervailing Duty Administrative Review*; 2012, 79 FR 50616 (August 25, 2014) (and accompanying Memorandum "Calculations for the Preliminary Results: Jindal Poly Films of India Limited (Jindal)") at 4-5, unchanged in *Polyethylene Terephthalate Film, Sheet, and Strip from India: Final Results of Countervailing Duty Administrative Review*; 2012, 80 FR 40 (March 2, 2015); *see also* *Polyethylene Terephthalate Film, Sheet, and Strip from India: Final Results of Countervailing Duty Administrative Review*; 2013, 81 FR 7753 (February 16, 2016), and accompanying IDM at Comment 2.

¹⁴⁶ See GFL IQR at Exhibit 27.

¹⁴⁷ See GFL Preliminary Calculation Memorandum.

According to the GOI, under Section 80-IA of the Income Tax Act, 1961, a company may deduct from its taxable income 100 percent of the profits derived from a specified eligible business undertaking.¹⁴⁸ The deduction may be claimed for any ten consecutive years out of a period of fifteen years from the first year of operation.¹⁴⁹ GFL explained that it claimed the deduction on its income tax return.¹⁵⁰ The GOI notes that eligible companies must be owned by a company in India and construct an “infrastructure facility” such as a road or water supply project, operate an industrial park, or generate and distribute power, *etc.*¹⁵¹

Because information provided by the GOI indicates that financial assistance under this program is expressly limited by law to enterprises engaging in five specific activities, we find this program to be *de jure* specific under section 771(5A)(D)(i) of the Act.¹⁵² The tax deductions are financial contributions in the form of revenue foregone by the government under section 771(5)(D)(ii) of the Act. Under 19 CFR 351.509(a), the benefit is equal to the difference between the income tax actually paid and the income tax that would have paid absent the program. GFL reported that though it claimed this deduction on its income tax return it did not receive a benefit because it paid its income tax according to section 115JB of the Income Tax Act, the minimum alternate tax (MAT) calculation.¹⁵³ The MAT specifies that after a company calculates its tax according to the normal tax calculation and its tax payable is less than 18 and a half percent of book profits, a company must automatically pay the MAT rate of 18 and a half percent of book profit.¹⁵⁴ GFL presented its income tax return, which demonstrates after it calculated its tax payable under the normal method it ultimately paid its taxes according to the MAT and did not receive benefits under 80-IA.¹⁵⁵ Therefore, we preliminarily determinate that this program was not used by GFL during the POI.

2. Section 32AC of the Income Tax Act

GFL self-reported that it claimed a deduction under this program.¹⁵⁶ The GOI stated that section 32AC of the Income Tax Act, 1961, provided an incentive for investment in plant and machinery.¹⁵⁷ Eligible companies must be “engaged in the manufacture or production of any article or thing.”¹⁵⁸ During fiscal years 2015-16 and 2016-17, eligible companies could deduct 15 percent of the actual cost of the asset acquired, if it exceeded 250,000,000 rupees.¹⁵⁹

As noted above in the “Use of Facts Otherwise Available,” section, we normally rely on the government to provide specific program information with regards to the administration and

¹⁴⁸ See GOI IQR at 33-34.

¹⁴⁹ *Id.* at 34.

¹⁵⁰ See GFL IQR at 26.

¹⁵¹ See GOI IQR at 36-37.

¹⁵² *Id.* at 35-38.

¹⁵³ See GFL IQR at 28-29 and Exhibit 5.

¹⁵⁴ *Id.* at Exhibit 37.

¹⁵⁵ *Id.* at Exhibit 5.

¹⁵⁶ *Id.* at 30 and Exhibit 5.

¹⁵⁷ See GOI SQR at 11.

¹⁵⁸ *Id.*

¹⁵⁹ *Id.*

specificity of programs. The GOI did not provide any information regarding this program; therefore, we are not able to confirm GFL's description of how this program is administered. Commerce requested program usage information on two occasions but the GOI did not provide the requested information.¹⁶⁰ We are, therefore, finding that an adverse inference is warranted in determining whether there is a financial contribution and whether the program is *de facto* specific. Consequently, as AFA, we preliminarily determine that this program constitutes a financial contribution and is *de facto* specific within the meaning of sections 771(5A)(D) of the Act.¹⁶¹

Under 19 CFR 351.509(a), the benefit is equal to the difference between the income tax actually paid and the income tax that would have paid absent the program. Similar to the 80-IA income tax deduction, GFL reported that, although it claimed this deduction on its income tax return, it did not receive a benefit, because it paid its income tax according to section 115JB of the Income Tax Act, the MAT calculation.¹⁶² The MAT specifies that after a company calculates its tax according to the normal tax calculation and its tax payable is less than 18 and a half percent of book profits, a company must automatically pay the MAT rate of 18 and a half percent of book profit.¹⁶³ GFL presented its income tax return, which demonstrates that after it calculated its tax payable under the normal method, it ultimately paid its taxes according to the MAT and did not receive a benefit from 32AC of the Income Tax Act.¹⁶⁴ Therefore, we preliminarily determinate that GFL did not receive a benefit under this program.

3. *Duty Free Import Authorization (DFIA)*
4. *Duty Free Importation of Capital Goods and Raw Materials, etc.*
5. *Exemption from Payment of Central Sales Tax (CST)*
6. *SEZ Income Tax Exemption*
7. *Bank Loans Obtained from Public Sector Bank*

SGOG Programs

8. *SGOG Interest Subsidy under Assistance to Manufacturing Sector Scheme*
9. *SGOG Core Infrastructure in Manufacturing Sector*
10. *SGOG Assistance in Setting Up Common Facilities*
11. *SGOG Assistance in Common Effluent Treatment Plant*
12. *SGOG Assistance for Center for Excellence*
13. *Export Promotion – Government Grants*
14. *Exemption from Payment of State Sales Tax*
15. *Gujarat Exemption from Payment of State Government Taxes and Duties Such as Stamp Duties*

¹⁶⁰ *Id.* at 20; *see also* GOI SQR3 at 9.

¹⁶¹ *See* GOI SQR at 11 and 17.

¹⁶² *See* GFL IQR at Exhibit 5.

¹⁶³ *Id.* at Exhibit 37.

¹⁶⁴ *Id.* at Exhibit 5.

X. CALCULATION OF THE ALL-OTHERS RATE

Sections 703(d) and 705(c)(5)(A) of the Act state that for companies not individually investigated, we will determine an all-others rate by weighting the individual company subsidy rate of each of the companies investigated by each company's exports of subject merchandise to the United States, excluding any zero, *de minimis*, or facts available rates. Because GFL is the only investigated company, we are applying the countervailable subsidy rate calculated for GFL to all other exporters of PTFE resin to the United States.

XI. ITC NOTIFICATION

In accordance with section 703(f) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all non-privileged and non-proprietary information relating 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, without the written consent of the Assistant Secretary for Enforcement and Compliance. In accordance with section 705(b)(2) of the Act, the ITC will make its final determination before the later of 120 days after the date of this preliminary determination or 45 days after Commerce makes its final affirmative determination.

XII. DISCLOSURE AND PUBLIC COMMENT

Commerce intends to disclose to interested parties the calculations performed in connection with this preliminary determination within five days of its public announcement.¹⁶⁵ Case briefs or other written comments for all non-scope issues may be submitted to Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS) no later than seven days after the date on which the final verification report is issued in this proceeding, and rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.¹⁶⁶ Case briefs or other written comments on scope issues may be submitted no later than 30 days after the publication of this preliminary determination in the *Federal Register*, and rebuttal briefs, limited to issues raised in the case briefs, maybe submitted no later than five days after the deadline for the case briefs. For any briefs filed on scope issues, parties must file separate and identical documents on each of the records for the other concurrent countervailing duty and antidumping duty investigations.

Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁶⁷ This summary should be limited to five pages total, including footnotes. Interested parties who wish to request a hearing, or to participate if one is requested, must do so in writing within 30 days after the publication of this preliminary determination in the *Federal Register*.¹⁶⁸ Requests should contain the party's name, address, and telephone number; the

¹⁶⁵ See 19 CFR 351.224(b).

¹⁶⁶ See 19 CFR 351.309(c)-(d); *see also* 19 CFR 351.303 (for general filing requirements).

¹⁶⁷ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁶⁸ See 19 CFR 351.310(c).

number of participants; and a list of the issues to be discussed. If a request for a hearing is made, Commerce intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, at a date, time and location to be determined. Parties will be notified of the date, time and location of any hearing.

Parties must file their case and rebuttal briefs, and any requests for a hearing, electronically using Commerce's electronic records system, ACCESS.¹⁶⁹ Electronically filed documents must be received successfully in their entirety by 5:00 p.m. Eastern Time,¹⁷⁰ on the due dates established above.

XIII. VERIFICATION

As provided in section 782(i)(1) of the Act, we intend to verify the information submitted in response to Commerce's questionnaires.

XIV. CONCLUSION

We recommend that you approve the preliminary findings described above.




Agree



Disagree

2/28/2018

X 

Signed by: CHRISTIAN MARSH

Christian Marsh
Deputy Assistant Secretary
for Enforcement and Compliance

¹⁶⁹ See 19 CFR 351.303(b)(2)(i).

¹⁷⁰ See 19 CFR 351.303(b)(1).