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DATE: December 10, 2018

MEMORANDUM TO: Gary Taverman
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance

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

SUBJECT: Certain Corrosion-Resistant Products from India: Issues and
Decision Memorandum for the Final Results of the Antidumping
Duty Administrative Review; 2016-2017

I. SUMMARY

The Department of Commerce (Commerce) analyzed the case and rebuttal briefs submitted by interested parties in the administrative review of the antidumping duty order on certain corrosion-resistant steel products (CORE) from India. As a result of this analysis, we have recalculated the JSW Steel Ltd. and JSW Coated Products (collectively, JSW) weighted-average dumping margin. During the investigation, Commerce found JSW to be a single entity and, because there were no changes to the facts that supported that determination, we continue to find that these companies are a part of a single entity for this administrative review.¹ We recommend that you approve the positions described in the “Discussion of Comments” section of this memorandum.

II. LIST OF COMMENTS

Comment: Errors in Home Market Programming Language

¹ See *Certain Corrosion-Resistant Steel Products from India, Italy, the People’s Republic of China, the Republic of Korea and Taiwan: Amended Final Affirmative Antidumping Determination for India and Taiwan and Antidumping Duty Orders*, 81 FR 48390, 48393 (July 25, 2016).



III. BACKGROUND

The review covers one producer/exporter of the subject merchandise, JSW. The period of review (POR) is January 4, 2016, through June 30, 2017. On August 10, 2018, Commerce published the *Preliminary Results* of the 2016-2017 administrative review of the antidumping duty order on CORE from India.² In those results, Commerce preliminarily determined that subject merchandise was being sold in the United States at prices below normal value during the POR.³ On September 10, 2018, JSW timely submitted case briefs regarding Commerce's *Preliminary Results*.⁴

IV. CHANGES SINCE THE PRELIMINARY RESULTS

In addition to the change described in the "Discussion of the Comments" section below, Commerce modified the programming language in its margin calculation since the *Preliminary Results*. Specifically, in the *Preliminary Results*, pursuant to Section 772(c)(1)(C) of the Tariff Act of 1930, as amended (the Act), we increased export price by the amount of export-contingent countervailing duties imposed on the subject merchandise, calculated in the preliminary results of the companion countervailing duty (CVD) administrative review. For these final results, in accordance with our normal practice, we are using the export subsidy rate calculated in the most recently completed segment of this proceeding as the source of the export subsidy adjustment (*i.e.* the final determination of the companion CVD investigation).⁵

Additionally, because subject merchandise entered the United States after the expiration of provisional measures⁶ in the companion CVD investigation and before the publication of the final injury determination by the International Trade Commission (ITC) (*i.e.*, March 5, 2016, through July 20, 2016), such sales entered the United States without regard to countervailing duties. Because our export subsidy adjustment is intended to avoid double counting duties applied in companion countervailing and antidumping duty proceedings, our margin program should only make an export subsidy adjustment during the provisional measures period and after the ITC final determination, and not during the period when goods were entered without regard to countervailing duties. Therefore, we have revised our margin program to make an export subsidy adjustment only during the periods of time in which countervailing duties were collected.⁷

² See *Certain Corrosion-Resistant Steel Product from India: Preliminary Results of Antidumping Duty Administrative Review; 2016-2017*, 83 FR 39683 (August 10, 2018) (*Preliminary Results*).

³ *Id.*, 83 FR at 39684.

⁴ See JSW's Case Brief, "Case Brief of JSW Steel Ltd. and JSW Steel Coated Ltd.," dated September 10, 2018 (JSW's Case Brief).

⁵ See *e.g.* *Certain Lined Paper Products from India: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2015-2016*, 82 FR 46764 (October 6, 2017), and the accompanying Preliminary Decision Memorandum at 12, unchanged in *Certain Lined Paper Products from India: Final Results of Antidumping Duty Administrative Review; 2015-2016*, 83 FR 16054 (April 13, 2018).

⁶ See, *e.g.*, Section 703(d) of the Act (specifying that suspension of liquidation of entries may not remain in effect for more than four months).

⁷ See Memorandum, "Final Results Analysis Memorandum for JSW Steel Ltd. and JSW Coated Products Limited," dated concurrently with this memorandum.

V. SCOPE OF THE ORDER

The products covered by this order are certain flat-rolled steel products, either clad, plated, or coated with corrosion-resistant metals such as zinc, aluminum, or zinc-, aluminum-, nickel- or iron-based alloys, whether or not corrugated or painted, varnished, laminated, or coated with plastics or other non-metallic substances in addition to the metallic coating. The products covered include coils that have a width of 12.7 mm or greater, regardless of form of coil (*e.g.*, in successively superimposed layers, spirally oscillating, *etc.*). The products covered also include products not in coils (*e.g.*, in straight lengths) of a thickness less than 4.75 mm and a width that is 12.7 mm or greater and that measures at least 10 times the thickness. The products covered also include products not in coils (*e.g.*, in straight lengths) of a thickness of 4.75 mm or more and a width exceeding 150 mm and measuring at least twice the thickness. The products described above may be rectangular, square, circular, or other shape and include products of either rectangular or non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process, *i.e.*, products which have been “worked after rolling” (*e.g.*, products which have been beveled or rounded at the edges). For purposes of the width and thickness requirements referenced above:

(1) where the nominal and actual measurements vary, a product is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set forth above, and

(2) where the width and thickness vary for a specific product (*e.g.*, the thickness of certain products with non-rectangular cross-section, the width of certain products with non-rectangular shape, *etc.*), the measurement at its greatest width or thickness applies.

Steel products included in the scope of this order are products in which: (1) iron predominates, by weight, over each of the other contained elements; (2) the carbon content is 2 percent or less, by weight; and (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 2.50 percent of manganese, or
- 3.30 percent of silicon, or
- 1.50 percent of copper, or
- 1.50 percent of aluminum, or
- 1.25 percent of chromium, or
- 0.30 percent of cobalt, or
- 0.40 percent of lead, or
- 2.00 percent of nickel, or
- 0.30 percent of tungsten (also called wolfram), or
- 0.80 percent of molybdenum, or
- 0.10 percent of niobium (also called columbium), or
- 0.30 percent of vanadium, or
- 0.30 percent of zirconium.

Unless specifically excluded, products are included in this scope regardless of levels of boron

and titanium.

For example, specifically included in this scope are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels and high strength low alloy (HSLA) steels. IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium and/or niobium added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum.

Furthermore, this scope also includes Advanced High Strength Steels (AHSS) and Ultra High Strength Steels (UHSS), both of which are considered high tensile strength and high elongation steels.

Subject merchandise also includes corrosion-resistant steel that has been further processed in a third country, including but not limited to annealing, tempering, painting, varnishing, trimming, cutting, punching and/or slitting or any other processing that would not otherwise remove the merchandise from the scope of the order if performed in the country of manufacture of the in-scope corrosion resistant steel.

All products that meet the written physical description, and in which the chemistry quantities do not exceed any one of the noted element levels listed above, are within the scope of this *Order* unless specifically excluded. The following products are outside of and/or specifically excluded from the scope of these order:

- Flat-rolled steel products either plated or coated with tin, lead, chromium, chromium oxides, both tin and lead (“terne plate”), or both chromium and chromium oxides (“tin free steel”), whether or not painted, varnished or coated with plastics or other non-metallic substances in addition to the metallic coating;
- Clad products in straight lengths of 4.7625 mm or more in composite thickness and of a width which exceeds 150 mm and measures at least twice the thickness; and
- Certain clad stainless flat-rolled products, which are three-layered corrosion-resistant flat-rolled steel products less than 4.75 mm in composite thickness that consist of a flat-rolled steel product clad on both sides with stainless steel in a 20%-60%-20% ratio.

The products subject to the order are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7210.30.0030, 7210.30.0060, 7210.41.0000, 7210.49.0030, 7210.49.0091, 7210.49.0095, 7210.61.0000, 7210.69.0000, 7210.70.6030, 7210.70.6060, 7210.70.6090, 7210.90.6000, 7210.90.9000, 7212.20.0000, 7212.30.1030, 7212.30.1090, 7212.30.3000, 7212.30.5000, 7212.40.1000, 7212.40.5000, 7212.50.0000, and 7212.60.0000.

The products subject to the order may also enter under the following HTSUS item numbers: 7210.90.1000, 7215.90.1000, 7215.90.3000, 7215.90.5000, 7217.20.1500, 7217.30.1530, 7217.30.1560, 7217.90.1000, 7217.90.5030, 7217.90.5060, 7217.90.5090, 7225.91.0000,

7225.92.0000, 7225.99.0090, 7226.99.0110, 7226.99.0130, 7226.99.0180, 7228.60.6000, 7228.60.8000, and 7229.90.1000.

The HTSUS subheadings above are provided for convenience and customs purposes only. The written description of the scope of the order is dispositive.

VI. DISCUSSION OF COMMENTS

Comment: Errors in Commerce's Home Market Program

JSW's Comments:

Commerce erred by placing TOTCOM on an incorrect line in the calculation of the weighted-average cost of production.^{8,9}

No other parties commented on this issue.

Commerce's Position:

We agree with JSW and have placed TOTCOM in the correct line for the final results of review.

VII. RECOMMENDATION

Based on our analysis of the comments received, we recommend adopting the above positions. If these recommendations are accepted, we will publish the final results of this review and the final weighted-average dumping margin in the *Federal Register*.

☒

Agree

☐

Disagree

12/10/2018

X



Signed by: GARY TAVERMAN