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DEPARTMENT OF COMMERCE

International Trade Administration

[A-533-855]

Steel Threaded Rod from India: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances, in Part; 2012-2013

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

SUMMARY: The Department of Commerce (“Department”) determines that steel threaded rod (“STR”) from India is being, or is likely to be, sold in the United States at less than fair value (“LTFV”), as provided in section 735 of the Tariff Act of 1930, as amended (“the Act”). The final weighted-average dumping margins of sales at LTFV are shown in the “Final Determination” section of this notice.

DATES: EFFECTIVE DATE: (INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*.)

FOR FURTHER INFORMATION CONTACT: Paul Stolz or Raquel Silva, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4474 or (202) 482-6475, respectively.

SUPPLEMENTARY INFORMATION:

Background

The Department published its *Preliminary Determination* on February 18, 2014.¹ On May 27, 2014, we received case briefs from All America Threaded Products Inc., Bay Standard Manufacturing Inc., and Vulcan Threaded Products Inc. (collectively, “Petitioners”), and Mangal Steel Enterprises Limited (“Mangal”). On June 2, 2014, Petitioners and Mangal submitted rebuttal briefs. On June 9, 2014, the Department conducted a hearing.

Period of Investigation

The period of investigation (“POI”) is April 1, 2012, through March 31, 2013.

Scope of the Investigation

The merchandise covered by this investigation is steel threaded rod. Steel threaded rod is certain threaded rod, bar, or studs, of carbon quality steel, having a solid, circular cross section, of any diameter, in any straight length, that have been forged, turned, cold-drawn, cold-rolled, machine straightened, or otherwise cold-finished, and into which threaded grooves have been applied. In addition, the steel threaded rod, bar, or studs subject to these investigations are nonheaded and threaded along greater than 25 percent of their total length. A variety of finishes or coatings, such as plain oil finish as a temporary rust protectant, zinc coating (*i.e.*, galvanized, whether by electroplating or hot-dipping), paint, and other similar finishes and coatings, may be applied to the merchandise.

Included in the scope of this investigation are steel threaded rod, bar, or studs, in which:
(1) iron predominates, by weight, over each of the other contained elements; (2) the carbon

¹ See *Steel Threaded Rod from India: Preliminary Determination of Sales at Less Than Fair Value, Affirmative Preliminary Determination of Critical Circumstances, in Part, and Postponement of Final Determination*, 79 FR 9164 (February 18, 2014) (“*Preliminary Determination*”).

content is 2 percent or less, by weight; and (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 1.80 percent of manganese, or
- 1.50 percent of silicon, or
- 1.00 percent of copper, or
- 0.50 percent of aluminum, or
- 1.25 percent of chromium, or
- 0.30 percent of cobalt, or
- 0.40 percent of lead, or
- 1.25 percent of nickel, or
- 0.30 percent of tungsten, or
- 0.012 percent of boron, or
- 0.10 percent of molybdenum, or
- 0.10 percent of niobium, or
- 0.41 percent of titanium, or
- 0.15 percent of vanadium, or
- 0.15 percent of zirconium.

Steel threaded rod is currently classifiable under subheadings 7318.15.5051, 7318.15.5056, 7318.15.5090 and 7318.15.2095 of the *Harmonized Tariff Schedule of the United States* (“HTSUS”). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

Excluded from the scope of this investigation are: (a) threaded rod, bar, or studs which are threaded only on one or both ends and the threading covers 25 percent or less of the total length; and (b) threaded rod, bar, or studs made to American Society for Testing and Materials (“ASTM”) A193 Grade B7, ASTM A193 Grade B7M, ASTM A193 Grade B16, and ASTM A320 Grade L7. The HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope of this investigation is dispositive.

Verification

As provided in section 782(i) of the Act, the Department verified the information submitted by Mangal for use in the final determination. The Department used standard verification procedures, including examination of relevant accounting and production records and original source documents provided by the respondent.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs for this investigation are addressed in the Issues and Decision Memorandum.² A list of the issues which parties raised and to which we responded in the Issues and Decision Memorandum is attached to this notice as an Appendix. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (“IA ACCESS”). Access to IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and

² See the memorandum “Issues and Decision Memorandum for the Final Determination in the Antidumping Duty Investigation of Steel Threaded Rod from India,” dated concurrently with this notice (“Issues and Decision Memorandum”).

Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn>. The paper copy and electronic version of the Issues and Decision Memorandum are identical in content.

Changes Since the Preliminary Determination

- We corrected certain U.S. postal zip codes reported in Mangal’s U.S. sales database based on verification findings for purposes of our differential pricing analysis.³
- We applied partial neutral facts available to account for minor unreported sales found at verification, pursuant to section 776(a) of the Act.⁴
- We treated sales made from WCP’s inventory as CEP sales, in accordance with section 772(b) of the Act.⁵

Final Determination

For the final determination, the following margins exist for the following entities for the POI:

Exporter and/or Producer	Weighted-Average Dumping Margin
Mangal Steel Enterprises Limited	16.74%
Babu Exports	119.87%
All Others	16.74%

Critical Circumstances

In the *Preliminary Determination*, for mandatory respondent Babu Exports, in accordance with sections 776(a) and (b) of the Act, we applied facts available with an adverse

³ See the CEP Verification Report at item IV. A.

⁴ *Id.* at item VIII and “Analysis Memorandum, Final Determination of Sales at Less Than Fair Value,” (“Analysis Memo”) dated concurrently with this notice.

⁵ See the Analysis Memo and the Issues and Decision Memorandum at Comment 2.

inference to determine that critical circumstances exist with respect to its exports of STR to the United States.⁶ Parties submitted no additional information or comments on the Department’s preliminary critical circumstances determination. Thus, we made no changes to our critical circumstances analysis announced in the *Preliminary Determination*.⁷ Therefore, pursuant to section 735(a)(3) of the Act, we continue to find that critical circumstances exist with respect to imports of STR from India from mandatory respondent Babu Exports. We continue to find that critical circumstances do not exist with respect to imports of STR from India from mandatory respondent, Mangal Steel, and “all other” exporters or producers.

Disclosure

We intend to disclose to parties in this proceeding the calculations performed within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

As noted above, the Department found that critical circumstances exist with respect to imports of the merchandise under consideration from Babu Exports. Therefore, in accordance with section 735(c)(4) of the Act, we will instruct U.S. Customs and Border Protection (“CBP”) to continue to suspend liquidation of all entries of STR from India from Babu Exports that were entered, or withdrawn from warehouse, for consumption on or after the date 90 days prior to publication of the *Preliminary Determination* in the *Federal Register* and require a cash deposit for such entries as noted below. Because we did not find that critical circumstances exist with respect to Mangal and “all other” exporters or producers, in accordance with section 735(c)(1) of the Act, we will instruct CBP to continue to suspend liquidation of all other entries of STR from India entered, or withdrawn from warehouse, for consumption on or after the date of publication

⁶ See *Preliminary Determination*, 79 FR at 9165, and accompanying Preliminary Decision Memo, at pages 9 – 13.

⁷ *Id.*

of the *Preliminary Determination* in the *Federal Register*. These suspension of liquidation instructions will remain in effect until further notice.

In the final determination of the companion countervailing duty investigation on STR from India, the Department determined that certain companies benefitted from export subsidies.⁸ Pursuant to sections 735(c)(1) and 772(c)(1)(C) of the Act and 19 CFR 351.210(d), the Department will instruct CBP to require cash deposits⁹ equal to the weighted-average dumping margins indicated in the table above, adjusted where appropriate for export subsidies. These cash deposit instructions will remain in effect until further notice.

International Trade Commission (“ITC”) Notification

In accordance with section 735(d) of the Act, we will notify the ITC of our final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of STR from India no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing CBP to assess antidumping duties on all imports of the merchandise under investigation entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Notification Regarding Administrative Protective Orders (“APO”)

⁸ See *Steel Threaded Rod from India: Final Affirmative Countervailing Duty Determination and Partial Final Affirmative Determination of Critical Circumstances*, dated concurrently with this notice.

⁹ See *Modification of Regulations Regarding the Practice of Accepting Bonds During the Provisional Measures Period in Antidumping and Countervailing Duty Investigations*, 76 FR 61042 (October 3, 2011).

This notice also serves as a reminder to the parties subject to APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely written notification of return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This determination and notice are issued and published in accordance with sections 735(d) and 777(i)(1) of the Act and 19 CFR 351.210(c).

Dated: July 3, 2014.

Ronald K. Lorentzen,
Acting Assistant Secretary
for Enforcement and Compliance.

Appendix – List of Topics Discussed in the Issues and Decision Memorandum

Summary

Background

Scope of the Investigation

Discussion of the Issues

Comment 1: Whether to Collapse Mangal and Corona

Comment 2: Whether Mangal's Sales are Constructed Export Price Sales or Export Price Sales

Comment 3: Whether the Department's Targeted Dumping Regulation was Unlawfully Withdrawn and Must be Employed in This Investigation

Comment 4: Application of the Alternative Methodology

Recommendation

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