



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-533-887]

Carbon and Alloy Steel Threaded Rod from India: Preliminary Affirmative

Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures

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

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that carbon and alloy steel threaded rod (CASTR) from India is being, or is likely to be, sold in the United States at less than fair value (LTFV). The period of investigation (POI) is January 1, 2018 through December 31, 2018. Interested parties are invited to comment on this preliminary determination.

DATES: Applicable [**INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER***].

FOR FURTHER INFORMATION CONTACT: Jerry Huang or Annathea Cook, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4047 or (202) 482-0250, respectively.

SUPPLEMENTARY INFORMATION:

Background

This preliminary determination is made in accordance with section 733(b) of the Tariff Act of 1930, as amended (the Act). Commerce published the notice of initiation of this investigation on March 19, 2019.¹ On June 14, 2019, Commerce postponed the preliminary determination of this investigation and the revised deadline is now September 19, 2019.² For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.³ A list of topics included in the Preliminary Decision Memorandum is included as Appendix II to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Scope of the Investigation

The product covered by this investigation is CASTR from India. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

¹ *See Carbon and Alloy Steel Threaded Rod from India, Taiwan, Thailand, and the People's Republic of China: Initiation of Less-Than-Fair-Value Investigations*, 84 FR 10034 (March 19, 2019) (*Initiation Notice*).

² *See Carbon and Alloy Steel Threaded Rod from India, Taiwan, and the People's Republic of China: Postponement of Preliminary Determinations in the Less-Than-Fair-Value Investigations*, 84 FR 27764 (June 14, 2019).

³ *See* Memorandum, "Decision Memorandum for the Preliminary Determination in the Less-Than-Fair-Value Investigation of Carbon and Alloy Steel Threaded Rod from India," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

In accordance with the preamble to Commerce's regulations,⁴ the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage (scope).⁵ Certain interested parties commented on the scope of the investigation as it appeared in the *Initiation Notice*. For a summary of the product coverage comments and rebuttal responses submitted to the record for this investigation, and accompanying discussion and analysis of all comments timely received, see the Preliminary Scope Decision Memorandum.⁶ The scope case briefs were due on August 28, 2019, 30 days after the publication of *CASTR from China Preliminary CVD Determination*.⁷ There will be no further opportunity for comments on scope-related issues.⁸

Methodology

Commerce is conducting this investigation in accordance with section 731 of the Act. Commerce has calculated export prices and constructed export prices in accordance with section 772(a) and 772(b) of the Act. Commerce has calculated normal value in accordance with section 773(e) of the Act. For a full description of the methodology underlying the preliminary determination, see the Preliminary Decision Memorandum.

Particular Market Situation Allegation

⁴ See *Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27323 (May 19, 1997).

⁵ See *Initiation Notice*.

⁶ See Memorandum, "Carbon and Alloy Steel Threaded Rod from India, Taiwan, Thailand, and the People's Republic of China: Scope Comments Decision Memorandum for the Preliminary Determinations," dated July 22, 2019.

⁷ The scope case briefs were due 30 days after the publication of *Carbon and Alloy Steel Threaded Rod from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 84 FR 36578 (July 29, 2019) (*CASTR from China Preliminary CVD Determination*). See the Preliminary Scope Decision Memorandum at 3. The deadline for the scope case briefs was Wednesday, August 28, 2019. Because the deadline for rebuttal briefs fell on Monday, September 2, 2019, a Federal holiday, the actual deadline for the scope rebuttal briefs was Tuesday, September 3, 2019. See 19 CFR 351.303(b)(1) ("For both electronically filed and manually filed documents, if the applicable due date falls on a non-business day, the Secretary will accept documents that are filed on the next business day.").⁸ Parties were already permitted the opportunity to file scope case briefs. Case briefs, other written comments, and rebuttal briefs should not include scope-related issues. See Preliminary Scope Decision Memorandum at 3.

⁸ Parties were already permitted the opportunity to file scope case briefs. Case briefs, other written comments, and rebuttal briefs should not include scope-related issues. See Preliminary Scope Decision Memorandum at 3.

On July 18, 2019, we received a cost-based particular market situation allegation (PMS) from Vulcan Threaded Products, Inc. (the petitioner).⁹ On August 27, 2019, we sent the petitioner a supplemental questionnaire regarding its PMS allegation.¹⁰ The petitioner submitted a response on September 4, 2019.¹¹ We preliminarily find that the revised allegation is sufficient to warrant further analysis. We also intend to issue additional questions to address remaining deficiencies regarding the quantitative analysis. We will then evaluate the response and make a determination on the PMS allegation in a post-preliminary determination. Additionally, we have accepted the factual information in support of the allegation and have further established a deadline for the submission of factual information to rebut, clarify or correct the allegation in a memo to the file dated concurrently with this preliminary determination.¹²

All-Others Rate

Sections 733(d)(1)(ii) and 735(c)(5)(A) of the Act provide that in the preliminary determination, Commerce shall determine an estimated weighted-average dumping margin (the “all-others” rate) for all exporters and producers not individually examined. This rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding rates that are zero and *de minimis*, or determined entirely under section 776 of the Act. For the preliminary determination, the only rate that is not zero, *de minimis*, or based entirely on facts otherwise

⁹ See Petitioner’s Letter, “Carbon and Alloy Steel Threaded Rod from India: Particular Market Situation Allegation,” dated July 18, 2019.

¹⁰ See Commerce’s Letter, “Antidumping Duty Investigation of Carbon and Alloy Steel Threaded Rod from India: Particular Market Situation Allegation Supplemental Questions,” dated August 27, 2019.

¹¹ See Petitioner’s Letter, “Carbon and Alloy Steel Threaded Rod from India: Response to Particular Market Situation Allegation Supplemental Questions,” dated September 4, 2019.

¹² See Memorandum, “Less-Than-Fair-Value Investigation of Carbon and Alloy Steel Threaded Rod from India: Comment Schedule for the Particular Market Situation Allegation,” dated September 19, 2019.

available is the rate calculated for Mangal Steel Enterprises Limited (Mangal). Consequently, the margin calculated for Mangal is assigned as the rate for all other producers and exporters.

Preliminary Determination

Commerce preliminarily determines that the following estimated weighted-average dumping margins exist:

Exporter/Producer	Estimated Weighted-Average Dumping Margin	Cash Deposit Rate (Adjusted for Export Subsidy Offset)
Daksh Fasteners	2.04 percent*	0.00 percent
Mangal Steel Enterprise Limited	2.04 percent	0.00 percent
All Others	2.04 percent	0.00 percent

*See the Preliminary Decision Memorandum for how this rate was selected.

Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise, as described in Appendix I, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*.

Further, pursuant to section 733(d)(1)(B) of the Act and 19 CFR 351.205(d), Commerce will instruct CBP to require a cash deposit equal to the estimated weighted-average dumping margin as described above, as follows: (1) the cash deposit rate for the respondents listed above will be equal to the company-specific estimated weighted-average dumping margins determined in this preliminary determination; (2) if the exporter is not a respondent identified above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the

cash deposit rate for all other producers and exporters will be equal to the all-others estimated weighted-average dumping margin.

To determine the cash deposit rate, Commerce normally adjusts the estimated weighted-average dumping margin by the amount of domestic subsidy pass-through and export subsidies determined in a companion countervailing duty (CVD) proceeding when CVD provisional measures are in effect. Accordingly, where Commerce has made a preliminary affirmative determination for domestic subsidy pass-through or export subsidies, Commerce has offset the calculated estimated weighted-average dumping margin by the appropriate rate(s). Any such adjusted rates may be found in the chart of estimated weighted-average dumping margins in the Preliminary Determination section of this notice.

Should provisional measures in the companion CVD investigation expire prior to the expiration of provisional measures in this LTFV investigation, Commerce will direct CBP to begin collecting cash deposits at a rate equal to the estimated weighted-average dumping margins calculated in this preliminary determination unadjusted for the passed-through domestic subsidies or for export subsidies at the time the CVD provisional measures expire.

These suspension of liquidation instructions will remain in effect until further notice.

Disclosure

Commerce intends to disclose to interested parties the calculations performed in connection with this preliminary determination within five days of its public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Verification

As provided in section 782(i)(1) of the Act, Commerce intends to verify information relied upon in making its final determination.

Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than seven days after the date on which the last final verification report is issued in this investigation. Rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.¹³ Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this investigation 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.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, 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 time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Postponement of Final Determination and Extension of Provisional Measures

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the

¹³ See 19 CFR 351.309; see also 19 CFR 351.303 (for general filing requirements).

event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by the petitioners. Pursuant to 19 CFR 351.210(e)(2), Commerce requires that requests by respondents for postponement of a final antidumping determination be accompanied by a request for extension of provisional measures from a four-month period to a period not more than six months in duration. and 19 CFR 351.210(e)(1) further provides that Commerce may grant the request, unless Commerce finds compelling reasons to deny the request.

On August 21, 2019, pursuant to 19 CFR 351.210(e), Mangal requested that Commerce postpone the final determination and that provisional measures be extended to a period not to exceed six months.¹⁴ In accordance with section 735(a)(2)(A) of the Act and 19 CFR 351.210(b)(2)(ii), because (1) the preliminary determination is affirmative; (2) the requesting exporter account for a significant proportion of exports of the subject merchandise; and (3) no compelling reasons for denial exist, Commerce is postponing the final determination and extending the provisional measures from a four-month period to a period not greater than six months. Accordingly, Commerce's final determination will be issued no later than 135 days after the date of publication of this preliminary determination.

International Trade Commission (ITC) Notification

In accordance with section 733(f) of the Act, Commerce will notify the ITC of its preliminary determination. If the final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the

¹⁴ See Mangal's Letter, "Antidumping Investigation of Carbon and Alloy Steel Threaded Rod from India: Request for Postponement of Final Determination," dated August 21, 2019.

final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

Notification to Importers

This notice also serves as an initial reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

Notification to Interested Parties

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.205(c).

Dated: September 19, 2019.

Jeffrey I. Kessler,

Assistant Secretary

for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by the scope of the investigation is carbon and alloy steel threaded rod. Steel threaded rod is certain threaded rod, bar, or studs, of carbon or alloy steel, having a solid, circular cross section of any diameter, in any straight length. Steel threaded rod is normally drawn, cold-rolled, threaded, and straightened, or it may be hot-rolled. In addition, the steel threaded rod, bar, or studs subject to the investigation are non-headed and threaded along greater than 25 percent of their total actual 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.

Steel threaded rod is normally produced to American Society for Testing and Materials (ASTM) specifications ASTM A36, ASTM A193 B7/B7m, ASTM A193 B16, ASTM A307, ASTM A320 L7/L7M, ASTM A320 L43, ASTM A354 BC and BD, ASTM A449, ASTM F1554-36, ASTM F1554-55, ASTM F1554 Grade 105, American Society of Mechanical Engineers (ASME) specification ASME B18.31.3, and American Petroleum Institute (API) specification API 20E. All steel threaded rod meeting the physical description set forth above is covered by the scope of the investigation, whether or not produced according to a particular standard.

Subject merchandise includes material matching the above description that has been finished, assembled, or packaged in a third country, including by cutting, chamfering, coating, or painting the threaded rod, by attaching the threaded rod to, or packaging it with, another product, or any other finishing, assembly, or packaging operation that would not otherwise remove the merchandise from the scope of the investigations if performed in the country of manufacture of the threaded rod.

Carbon and alloy steel threaded rod are also included in the scope of the investigation whether or not imported attached to, or in conjunction with, other parts and accessories such as nuts and washers. If carbon and alloy steel threaded rod are imported attached to, or in conjunction with, such non-subject merchandise, only the threaded rod is included in the scope.

Excluded from the scope of the investigation are: (1) 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 actual length; and (2) stainless steel threaded rod, defined as steel threaded rod containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements.

Excluded from the scope of the antidumping investigation on steel threaded rod from the People's Republic of China is any merchandise covered by the existing antidumping order on Certain Steel Threaded Rod from the People's Republic of China. *See Certain Steel Threaded Rod from the People's Republic of China: Notice of Antidumping Duty Order*, 74 FR 17154 (April 14, 2009).

Specifically excluded from the scope of the investigation is threaded rod that is imported as part of a package of hardware in conjunction with a ready-to-assemble piece of furniture.

Steel threaded rod is currently classifiable under subheadings 7318.15.5051, 7318.15.5056, and 7318.15.5090 of the Harmonized Tariff Schedule of the United States (HTSUS). Subject merchandise may also enter under subheading 7318.15.2095 and 7318.19.0000 of the HTSUS. The HTSUS subheadings are provided for convenience and U.S. Customs purposes only. The written description of the scope is dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Investigation
- IV. Scope of the Investigation
- V. Scope Comments
- VI. Product Characteristics
- VII. Selection of Respondents
- VIII. Affiliation
- IX. Discussion of the Methodology
- X. All-Others Rate
- XI. Adjustment to Cash Deposit Rate for Export Subsidy
- XII. Verification
- XIII. Recommendation

[FR Doc. 2019-20811 Filed: 9/24/2019 8:45 am; Publication Date: 9/25/2019]