

**DEPARTMENT OF COMMERCE**

**International Trade Administration**

[A-533-852]

**Circular Welded Carbon-Quality Steel Pipe From India: Final Determination of Sales at Less Than Fair Value**

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**DATES:** *Effective Date:* October 22, 2012.

**SUMMARY:** On June 1, 2012, the Department of Commerce (the Department) published the *Preliminary Determination* of sales at less than fair value (LTFV) in the antidumping investigation of circular welded carbon-quality steel pipe from India.<sup>1</sup> The period of investigation (POI) is October 1, 2010, through September 30, 2011. No comments were received from interested parties, and we have made no changes to our *Preliminary Determination*. The Department continues to find that circular welded carbon-quality steel pipe from India is being, or is likely to be, sold in the United States at LTFV, as provided in section 735 of the Tariff Act of 1930, as amended (the Act). The estimated margin of sales at LTFV is shown in the "Final Determination Margin" section of this notice.

**FOR FURTHER INFORMATION CONTACT:** Steve Bezirgianian or Robert James, AD/CVD Operations, Office 7, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC, 20230; telephone: (202) 482-1131 or 482-0649, respectively.

**SUPPLEMENTARY INFORMATION:**

**Background**

The only respondent in this investigation is Zenith Birla (India) Limited (previously known as Zenith Steel Pipes and Industries Ltd.) (Zenith).<sup>2</sup> In response to a request by Zenith, the Department postponed the final determination until no later than

<sup>1</sup> See *Circular Welded Carbon-Quality Steel Pipe From India: Preliminary Determination of Sales at Less Than Fair Value*, 77 FR 32562 (June 1, 2012) ("*Preliminary Determination*").

<sup>2</sup> We noted in the *Preliminary Determination* that this investigation covers merchandise manufactured and/or exported by Zenith Steel Pipes and Industries Ltd., which was excluded from an existing antidumping duty order covering welded steel pipe and tube from India. We also noted nothing on the record of this investigation that contradicts our conclusion in the initiation of this investigation that Zenith Birla (India) Limited is the current name for the company formerly known as Zenith Steel Pipes and Industries, Ltd. See *Preliminary Determination*, 77 FR at 32562-63.

135 days after the publication of the *Preliminary Determination* in the **Federal Register**, or October 14, 2012.<sup>3</sup> No interested parties submitted a case brief. The Department is not making any changes to the *Preliminary Determination*.

**Scope of the Investigation**

At the time of the filing of the petition for this case, there was an existing antidumping duty order on welded steel pipe and tube from India. See *Antidumping Duty Order; Certain Welded Carbon Steel Standard Pipes and Tubes From India*, 51 FR 17384 (May 12, 1986). Therefore, the scope of this investigation covers merchandise manufactured and/or exported by Zenith Steel Pipes and Industries Ltd., and any successors-in-interest to that company, which is the only company excluded from the 1986 order known to exist.

This investigation covers welded carbon-quality steel pipes and tube, of circular cross-section, with an outside diameter ("O.D.") not more than 16 inches (406.4 mm), regardless of wall thickness, surface finish (e.g., black, galvanized, or painted), end finish (plain end, beveled end, grooved, threaded, or threaded and coupled), or industry specification (e.g., American Society for Testing and Materials International ("ASTM"), proprietary, or other) generally known as standard pipe, fence pipe and tube, sprinkler pipe, and structural pipe (although subject product may also be referred to as mechanical tubing). Specifically, the term "carbon quality" includes products in which: (a) Iron predominates, by weight, over each of the other contained elements; (b) the carbon content is 2 percent or less, by weight; and (c) none of the elements listed below exceeds the quantity, by weight, as indicated:

- (i) 1.80 percent of manganese;
- (ii) 2.25 percent of silicon;
- (iii) 1.00 percent of copper;
- (iv) 0.50 percent of aluminum;
- (v) 1.25 percent of chromium;
- (vi) 0.30 percent of cobalt;
- (vii) 0.40 percent of lead;
- (viii) 1.25 percent of nickel;
- (ix) 0.30 percent of tungsten;
- (x) 0.15 percent of molybdenum;
- (xi) 0.10 percent of niobium;

<sup>3</sup> See *Circular Welded Carbon-Quality Steel Pipe From India: Postponement of Final Determination of Antidumping Duty Investigation*, 77 FR 36257 (June 18, 2012). As October 14, 2012, is a Sunday, the signature day became the next business day, October 15, 2012, in accordance with our practice. See *Notice of Clarification: Application of "Next Business Day" Rule for Administrative Determination Deadlines Pursuant to the Tariff Act of 1930, as Amended*, 70 FR at 24533 (May 10, 2005).

- (xii) 0.41 percent of titanium;  
 (xiii) 0.15 percent of vanadium;  
 (xiv) 0.15 percent of zirconium.

Subject pipe is ordinarily made to ASTM specifications A53, A135, and A795, but can also be made to other specifications. Structural pipe is made primarily to ASTM specifications A252 and A500. Standard and structural pipe may also be produced to proprietary specifications rather than to industry specifications. Fence tubing is included in the scope regardless of certification to a specification listed in the exclusions below, and can also be made to the ASTM A513 specification. Sprinkler pipe is designed for sprinkler fire suppression systems and may be made to industry specifications such as ASTM A53 or to proprietary specifications. These products are generally made to standard O.D. and wall thickness combinations. Pipe multi-stenciled to a standard and/or structural specification and to other specifications, such as American Petroleum Institute ("API") API-5L specification, is also covered by the scope of this investigation when it meets the physical description set forth above, and also has one or more of the following characteristics: Is 32 feet in length or less; is less than 2.0 inches (50mm) in outside diameter; has a galvanized and/or painted (e.g., polyester coated) surface finish; or has a threaded and/or coupled end finish.

The scope of this investigation does not include: (a) Pipe suitable for use in boilers, superheaters, heat exchangers, refining furnaces and feedwater heaters, whether or not cold drawn; (b) finished electrical conduit; (c) finished scaffolding;<sup>4</sup> (d) tube and pipe hollows for redrawing; (e) oil country tubular goods produced to API specifications; (f) line pipe produced to only API specifications; and (g) mechanical tubing, whether or not cold-drawn. However, products certified to ASTM mechanical tubing specifications are not excluded as mechanical tubing if they otherwise meet the standard sizes (e.g., outside diameter and wall thickness) of standard, structural, fence and sprinkler pipe. Also, products made to the following outside diameter and wall thickness combinations, which are recognized by the industry as typical for fence tubing, would not be excluded from the scope based solely on their

being certified to ASTM mechanical tubing specifications:  
 1.315 inch O.D. and 0.035 inch wall thickness (page 20)  
 1.315 inch O.D. and 0.047 inch wall thickness (page 18)  
 1.315 inch O.D. and 0.055 inch wall thickness (page 17)  
 1.315 inch O.D. and 0.065 inch wall thickness (page 16)  
 1.315 inch O.D. and 0.072 inch wall thickness (page 15)  
 1.315 inch O.D. and 0.083 inch wall thickness (page 14)  
 1.315 inch O.D. and 0.095 inch wall thickness (page 13)  
 1.660 inch O.D. and 0.047 inch wall thickness (page 18)  
 1.660 inch O.D. and 0.055 inch wall thickness (page 17)  
 1.660 inch O.D. and 0.065 inch wall thickness (page 16)  
 1.660 inch O.D. and 0.072 inch wall thickness (page 15)  
 1.660 inch O.D. and 0.083 inch wall thickness (page 14)  
 1.660 inch O.D. and 0.095 inch wall thickness (page 13)  
 1.660 inch O.D. and 0.109 inch wall thickness (page 12)  
 1.900 inch O.D. and 0.047 inch wall thickness (page 18)  
 1.900 inch O.D. and 0.055 inch wall thickness (page 17)  
 1.900 inch O.D. and 0.065 inch wall thickness (page 16)  
 1.900 inch O.D. and 0.072 inch wall thickness (page 15)  
 1.900 inch O.D. and 0.095 inch wall thickness (page 13)  
 1.900 inch O.D. and 0.109 inch wall thickness (page 12)  
 2.375 inch O.D. and 0.047 inch wall thickness (page 18)  
 2.375 inch O.D. and 0.055 inch wall thickness (page 17)  
 2.375 inch O.D. and 0.065 inch wall thickness (page 16)  
 2.375 inch O.D. and 0.072 inch wall thickness (page 15)  
 2.375 inch O.D. and 0.095 inch wall thickness (page 13)  
 2.375 inch O.D. and 0.109 inch wall thickness (page 12)  
 2.375 inch O.D. and 0.120 inch wall thickness (page 11)  
 2.875 inch O.D. and 0.109 inch wall thickness (page 12)  
 2.875 inch O.D. and 0.134 inch wall thickness (page 10)  
 2.875 inch O.D. and 0.165 inch wall thickness (page 8)  
 3.500 inch O.D. and 0.109 inch wall thickness (page 12)  
 3.500 inch O.D. and 0.148 inch wall thickness (page 9)  
 3.500 inch O.D. and 0.165 inch wall thickness (page 8)

4.000 inch O.D. and 0.148 inch wall thickness (page 9)  
 4.000 inch O.D. and 0.165 inch wall thickness (page 8)  
 4.500 inch O.D. and 0.203 inch wall thickness (page 7)

The pipe subject to this investigation is currently classifiable in Harmonized Tariff Schedule of the United States ("HTSUS") statistical reporting numbers 7306.19.1010, 7306.19.1050, 7306.19.5110, 7306.19.5150, 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, 7306.30.5090, 7306.50.1000, 7306.50.5050, and 7306.50.5070. However, the product description, and not the HTSUS classification, is dispositive of whether the merchandise imported into the United States falls within the scope of the investigation.

#### Adverse Facts Available

For the final determination, we fully incorporate the analysis of Zenith's failure to cooperate as discussed in the *Preliminary Determination* and continue to find that the application of adverse facts available is warranted.<sup>5</sup> No party commented on the *Preliminary Determination*, and our analysis remains unchanged. The Department corroborated the margin applied to Zenith in the *Preliminary Determination*.<sup>6</sup>

#### Final Determination Margin

We determine that the below percentage margin exists for the following entity for the POI:

Manufacturer/exporter	Weighted-average margin (percent)
Zenith Birla (India) Limited (previously known as Zenith Steel Pipes and Industries Ltd.) .....	48.43

#### Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(b) of the Act, we will direct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all entries of certain steel pipe from India manufactured and/or exported by Zenith that are entered, or withdrawn from warehouse, for consumption on or after June 1, 2012, the date of publication of the

<sup>4</sup> Finished scaffolding is defined as component parts of a final, finished scaffolding that enters the United States unassembled as a "kit." A "kit" is understood to mean a packaged combination of component parts that contain, at the time of importation, all the necessary component parts to fully assemble a final, finished scaffolding.

<sup>5</sup> See *Preliminary Determination*, 77 FR at 32564-66 (discussing Zenith's persistent pattern of non-cooperation and the consequent application of adverse facts available).

<sup>6</sup> See *Preliminary Determination*, 77 FR at 32565-66.

*Preliminary Notice.* We will instruct CBP to require a cash deposit or the posting of a bond equal to the weighted-average margin, as indicated below, as follows: (1) The rate for Zenith will be the rate we have determined in this final determination, adjusted for the export subsidy portion of the Zenith's final margin in the companion countervailing duty (CVD) investigation of circular welded carbon-quality steel pipe from India;<sup>7</sup> (2) if the exporter is not a firm identified in this investigation but the manufacturer is Zenith, the rate will be the rate established for Zenith. These suspension-of-liquidation instructions will remain in effect until further notice. Note that no "all others" deposit rate is required, because Zenith is the only manufacturer covered by the investigation.

#### **Notification Regarding APO**

This notice also serves as a reminder to the parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely 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.

Dated: October 15, 2012.

**Paul Piquado,**

*Assistant Secretary for Import Administration.*

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<sup>7</sup> See the companion CVD investigation of circular welded carbon-quality steel pipe from India dated concurrently with this notice.