



C-533-898
Investigation
Public Document
E&C/OII: Team

March 19, 2021

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

FROM: James Maeder
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

SUBJECT: Decision Memorandum for the Preliminary Determination of the
Countervailing Duty Investigation of Utility Scale Wind Towers
from India

I. SUMMARY

The Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of utility scale wind towers (wind towers) from India, as provided in section 703(b)(1) of the Tariff Act of 1930, as amended (the Act).

II. BACKGROUND

A. Initiation and Case History

On September 30, 2020, the Wind Tower Trade Coalition (the petitioner) filed a petition with Commerce seeking the imposition of countervailing duties (CVD) on imports of wind towers from India.¹ On October 7, 2020, Commerce extended the initiation deadline by 20 days to poll the domestic industry in accordance with section 702(c)(4)(D) of the Act because the Petition, as filed, had “not established that the domestic producers or workers accounting for more than 50 percent of total production support the Petitions.”² On October 16, 2020, Commerce held

¹ See Petitioner’s Letter, “Petitions for the Imposition of Antidumping and Countervailing Duties: Utility Scale Wind Towers from India, Malaysia, and Spain,” dated September 30, 2020 (the Petition). We note that the Petition was accompanied by antidumping duty petitions concerning imports of wind towers from India, Malaysia, and Spain. *Id.* Further, we note that the members of the Wind Tower Trade Coalition are Arcosa Wind Towers Inc. and Broadwind Towers, Inc.

² See *Notice of Extension of the Deadline for Determining the Adequacy of the Antidumping and Countervailing Duty Petitions: Utility Scale Wind Towers from India, Malaysia, and Spain*, 85 FR 65028 (October 7, 2020).



consultations with representatives of the Government of India (GOI).³ On November 9, 2020, we initiated a CVD investigation of wind towers from India.⁴

In January and February 2021, Vestas Towers America, Inc. and its affiliates (collectively, Vestas), requested that Commerce revisit its determination of industry support in this proceeding.”⁵ However, section 702(c)(4) of the Act states that, “{a}fter the administering authority makes a determination with respect to initiating an investigation, the determination regarding industry support shall not be reconsidered.”⁶ Accordingly, we are not reconsidering our determination in this regard.

B. Respondent Selection

The Petition identified four companies in India that produce and/or export wind towers.⁷ On November 2, 2020, we released U.S. Customs and Border Protection (CBP) data for U.S. imports of wind towers under the appropriate Harmonized Tariff Schedule of the United States (HTSUS) subheadings to all interested parties under an administrative protective order.⁸ In the *Initiation Notice*, Commerce stated that, where appropriate, it intended to select respondents based on CBP data for U.S. imports of wind towers under the appropriate HTSUS subheadings and requested interested parties comment on the data within three business days of the publication of the *Initiation Notice*.⁹

On November 19, 2020, we received timely-filed comments on the CBP data on behalf of the petitioner and certain Indian producers and exporters of wind towers: Anand Engineering Products Private Limited (Anand Engg), Vestas Wind Technology India Private Limited (Vestas), and Windar Renewable Energy Private Limited (Windar).¹⁰

³ See Memorandum, “Utility Scale Wind Towers from India: Government of India Consultations,” dated October 26, 2020.

⁴ See *Utility Scale Wind Towers from India and Malaysia: Initiation of Countervailing Duty Investigations*, 85 FR 73019 (November 16, 2020) (*Initiation Notice*).

⁵ See Vestas’s Letter, “Utility Scale Wind Towers from India: Request for Reexamination of Industry Support,” dated January 22, 2021; Petitioner’s Letter, “Utility Scale Wind Towers from India: Response to Vestas’s Request to Reexamine the Domestic Industry Support,” dated January 25, 2021; and Vestas’s Letter, “Utility Scale Wind Towers from India: Response to Petitioner’s January 25, 2021 Letter Regarding Industry Support,” dated February 5, 2021.

⁶ See, e.g., *Wooden Cabinets and Vanities and Components Thereof From the People’s Republic of China: Final Affirmative Countervailing Duty Determination*, 85 FR 11953 (February 28, 2020), and accompanying IDM at Comment 1

⁷ See the Petition at Volume I, Exhibit I-17.

⁸ See Memorandum, “Utility Scale Wind Towers from India Countervailing Duty Petition: Release of Customs Data from U.S. Customs and Border Protection,” dated November 2, 2020.

⁹ See *Initiation Notice*, 85 FR at 73022.

¹⁰ See Petitioner’s Letter, “Utility Scale Wind Towers from India: Comments on CBP Data and Respondent Selection,” dated November 19, 2020; Anand Engg’s Letter, “Utility Scale Wind Towers from India (A-533-897 / C-533-898) – Respondent Selection Comments on Behalf of Producer in India,” dated November 19, 2020; Vestas’s Letter, “Utility Scale Wind Towers from India: Comments on Respondent Selection,” dated November 19, 2020; and Windar’s Letter, “Utility Scale Wind Towers from India (A-533-897 / C-533-898) – Respondent Selection Comments on Behalf of Producer in India,” dated November 19, 2020.

These parties identified discrepancies in the CBP data and requested that Commerce instead solicit quantity and value (Q&V) data from the producers or exporters of subject merchandise to use as the basis for respondent selection in this investigation. After examining the CBP data, we agreed they were unreliable for respondent selection purposes, and, on November 24, 2020, we solicited Q&V data from the eleven companies who were the largest exporters and producers of subject merchandise according to the CBP data (*i.e.*, Anand Engg, GRI Towers, Naiks Brass & Iron Works (Naiks), Nordex India Pvt Ltd (Nordex), Prommada Hindustan Private Ltd (Prommada), Suzlon Energy Ltd (Suzlon Energy), Vestas, Vinayaka Energy Tek (Vinayaka Energy), Windar, Wish Energy Solutions Pvt Ltd (Wish Energy), and Zeeco India Pvt. Ltd. (Zeeco)).¹¹ Additionally, the Q&V questionnaire was placed on the record of the investigation, thereby providing all interested parties an opportunity to respond. On December 1, 2020, Anand Engg and Windar filed comments requesting clarification for the unit of measurement for exports in the Q&V questionnaire.¹² On December 2, 2020, Commerce issued a memorandum clarifying that interested parties should report volume in the Q&V questionnaires based on the number of wind tower sections sold during the period of investigation (POI).¹³ From December 7, 2020, through December 8, 2020, we received Q&V data from a total of four producers or exporters of wind towers from India (*i.e.*, Anand Engg, GRI Towers, Vestas, and Windar).¹⁴ The petitioner filed comments on respondent selection and the Q&V data on December 18, 2020.¹⁵

On December 22, 2020, pursuant to section 777A(e)(2)(A) of the Act, Commerce limited the number of respondents selected for individual examination to the largest producer/exporter of the subject merchandise by volume.¹⁶ Accordingly, we selected Vestas as the mandatory respondent in this investigation, and, on December 28, 2020, Commerce issued the CVD questionnaire to the GOI, who was responsible for forwarding the questionnaire to Vestas.¹⁷

C. Questionnaires and Responses

In January 2021, we received timely responses to the “affiliated companies” section of the questionnaires from Vestas, in addition to two of Vestas’s three tollers (*i.e.*, Anand Engg and

¹¹ See Memorandum, “Issuance of Quantity and Value Questionnaires,” dated November 24, 2020.

¹² See Anand Engg’s Letter, “Utility Scale Wind Towers from India (C-533-898): Request For Clarification In Units Of Measurement Of Reporting Quantity Of Exports In The Quantity & Value Questionnaire,” dated December 1, 2020; and Windar’s Letter, “Utility Scale Wind Towers from India (C-533-898): Request For Clarification In Units Of Measurement Of Reporting Quantity Of Exports In The Quantity & Value Questionnaire,” dated December 1, 2020.

¹³ See Memorandum, “Quantity and Value Questionnaire – Unit of Measure Clarification,” dated December 2, 2020.

¹⁴ See Windar’s Letter, “Utility Scale Wind Towers from India (C-533-898) – Submission of Quantity & Value Shipment – Windar Renewable Energy Private Limited,” dated December 7, 2020; Anand Engg’s Letter, “Utility Scale Wind Towers from India (C-533-898) – Submission of Quantity & Value Shipment – Anand Engineering Products Private Limited,” dated December 7, 2020; GRI Towers’ Letter, “Countervailing Duty Investigation of Utility Scale Wind Towers from India: GRI’s Response to the Department’s Quantity and Value Questionnaire,” dated December 7, 2020; and Vestas’s Letter, “Utility Scale Wind Towers from India: Quantity and Value Questionnaire Response,” dated December 8, 2020.

¹⁵ See Petitioner’s Letter, “Utility Scale Wind Towers from India: Comments on Respondent Selection and Q&V data,” dated December 18, 2020.

¹⁶ See Memorandum, “Countervailing Duty Investigation of Utility Scale Wind Towers from India: Respondent Selection,” dated December 22, 2020.

¹⁷ See Commerce’s Letter, “Utility Scale Wind Towers from India: Countervailing Duty Questionnaire,” dated December 28, 2020 (Initial CVD Questionnaire).

Windar).¹⁸ In its response, Vestas asserted that none of its affiliated companies qualified as reporting companies. On February 10, 2021, Commerce issued supplemental affiliation questionnaires to Vestas, Anand, and Windar,¹⁹ and we received a timely response from all companies in February 2021.²⁰

In February 2021, we received timely responses to the remainder of the initial questionnaire from Vestas, Anand, and Windar,²¹ as well as to the entire questionnaire issued to the GOI and GRI Towers (*i.e.*, Vestas's third tollor).²² In March 2021, we issued supplemental questionnaires to Vestas, all three tollers, and the GOI. In March 2021, all companies and the GOI provided timely responses to the supplemental questionnaires.²³

Also, in March 2021, both the petitioner and Vestas submitted pre-preliminary comments.²⁴

¹⁸ See Vestas's Letter, "Utility Scale Wind Towers from India: Section III Affiliation Questionnaire Response," dated January 13, 2021 (Vestas January 13, 2021 AFFQR); Anand Engg's Letter, "Certain Utility Scale Wind Towers from India (C-533-898): Submission of Affiliated Companies Questionnaire Response," dated January 13, 2021 (Anand Engg January 13, 2021 AFFQR); and Windar's Letter, "Certain Utility Scale Wind Towers from India (C-533-898): Submission of Affiliated Companies Questionnaire Response," dated January 13, 2021 (Windar January 13, 2021 AFFQR).

¹⁹ See Commerce's Letters, "Countervailing Duty Investigation of Utility Scale Wind Towers from India," dated February 10, 2021.

²⁰ See Anand Engg's Letter, "Certain Utility Scale Wind Towers from India (C-533-898): Submission of Supplemental Affiliated Companies Questionnaire Response"; Windar's Letter, "Certain Utility Scale Wind Towers from India (C-533-898): Submission of Supplemental Affiliated Companies Questionnaire Response," dated February 17, 2021; and Vestas's Letter, "Utility Scale Wind Towers from India: Supplemental Questionnaire to Affiliated Companies Response," dated February 19, 2021 (Vestas February 19, 2021 SQR1).

²¹ See Anand Engg's Letter, "Certain Utility Scale Wind Towers from India (C-533-898): Submission of Section III Questionnaire Response – Anand Engg," dated February 9, 2021 (Anand Engg February 9, 2021 IQR); and Windar's Letter, "Certain Utility Scale Wind Towers from India (C-533-898): Submission of CVD Section III Questionnaire Response – Windar India," dated February 9, 2021 (Windar February 9, 2021 IQR); and Vestas's Letter, "Utility Scale Wind Towers from India: Section III Questionnaire Response," dated February 10, 2021 (Vestas February 10, 2021 IQR).

²² See GOI's Letter, "CVD Investigation – Utility Scale Wind Towers from India: Response to the Initial Questionnaire on behalf of Government of India concerning sections entitled 'General Questions' and 'Programs Administered by the Government of India'," dated February 11, 2021 (GOI February 11, 2021 FIQR); GOI's Letter, "CVD Investigation – Utility Scale Wind Towers from India: Response to the Initial Questionnaire on behalf of Government of India concerning all programs administered by the state governments," dated February 16, 2021 (GOI February 16, 2021 SIQR); and GRI Towers' Letter, "Certain Utility Scale Wind Towers from India (C-533-898): Submission of CVD Initial Questionnaire Response – GRI India," dated, February 10, 2021 (GRI Towers February 10, 2021 IQR).

²³ See Anand Engg's Letter, "Certain Utility Scale Wind Towers from India (C-533-898): Submission of Supplemental Questionnaire Response" dated March 8, 2021; Windar's Letter, "Certain Utility Scale Wind Towers from India (C-533-898): Submission of Supplemental Questionnaire Response," dated March 8, 2021; Vestas's Letter, "Utility Scale Wind Towers from India: Response to Second Supplemental Questionnaire to Section III Questionnaire," dated March 10, 2021 (Vestas March 10, 2021 SQR2); GRI Towers' Letter, "Certain Utility Scale Wind Towers from India (C-533-898): Submission of CVD Supplemental Questionnaire Response – GRI India," dated March 12, 2021 (GRI Towers March 12, 2021 SQR1); Vestas's Letter, "Utility Scale Wind Towers from India: Response to the Third Supplemental Questionnaire to Section III Questionnaire," dated March 16, 2021; and GOI's Letter, "Re: CVD Investigation - Utility Scale Wind Towers from India: Response to the 1st Supplemental Questionnaire on Behalf of Government of India," dated March 17, 2021 (GOI March 17, 2021 SQR1).

²⁴ See Petitioner's Letter, "Utility Scale Wind Towers from India: Pre-Preliminary Comments," dated March 5, 2021; and Vestas's Letter, "Utility Scale Wind Towers from India: Pre-Preliminary Comments," dated March 12, 2021.

D. Postponement of the Preliminary Determination

On December 4, 2020, the petitioner requested that Commerce postpone the preliminary determination of this investigation.²⁵ Commerce granted the petitioner's request, and, on December 28, 2020, we postponed the date of the preliminary determination until March 19, 2021, in accordance with section 703(c)(1)(A) of the Act and 19 CFR 351.205(b)(2).²⁶

E. Period of Investigation

On January 11, 2021, based on the request of Vestas, we amended the POI from calendar year January 1, 2019, through December 31, 2019, to fiscal year April 1, 2019, through March 31, 2020, which is the most recently completed Indian fiscal year.²⁷

F. New Subsidy Allegations

On February 9, 2021 the petitioner submitted nine new subsidy allegations (NSAs) with respect to Vestas and Windar.²⁸ In this same month, we issued the petitioner a supplemental questionnaire with respect to the alleged NSAs, to which the petitioner responded on February 26, 2021.²⁹ After considering the information on the record, Commerce initiated an investigation of eight of the alleged new programs³⁰ and will issue questionnaires to Vestas, Windar, and the GOI related to these programs. Commerce found that the petitioner provided inadequate support with respect to the remaining NSA.³¹

On March 1, 2021, the petitioner submitted an additional three NSAs with respect to Vestas.³² In the same month, Vestas provided timely new factual information in response to the allegations, pursuant to 19 CFR 351.301(c)(2)(vi).³³ For those programs not addressed in this preliminary determination, we intend to further analyze them and consider that information for purposes of examining these programs in a post-preliminary determination.

²⁵ See Petitioner's Letter, "Utility Scale Wind Towers from India: Request for Extension of Preliminary Determination Deadline," dated December 4, 2020.

²⁶ See *Utility Scale Wind Towers from India and Malaysia: Postponement of Preliminary Determinations in the Countervailing Duty Investigations*, 85 FR 84302 (December 28, 2020).

²⁷ See Memorandum, "Amended Period of Investigation," dated February 1, 2021; see also Vestas's Letter, "Utility Scale Wind Towers from India: Request for Period of Investigation Modification," dated January 11, 2021.

²⁸ See Petitioner's Letter, "Utility Scale Wind Towers from India: New Subsidies Allegations," dated February 9, 2021.

²⁹ See Petitioner's Letter, "Utility Scale Wind Towers from India: Response to Department's New Subsidy Allegation Questionnaire," dated February 26, 2021.

³⁰ See Memorandum, "Decision Memorandum on New Subsidy Allegations," dated March 19, 2021 (Vestas NSA Memorandum).

³¹ *Id.* at 1.

³² See Petitioner's Letter, "Utility Scale Wind Towers from India: Additional New Subsidy Allegations," dated March 1, 2021.

³³ See Vestas's Letter, "Utility Scale Wind Towers from India: Response to Petitioner's Additional New Subsidy Allegations," dated March 15, 2021.

G. Alignment

On March 16, 2021, the petitioner requested that Commerce align the date of the final CVD determination with that of the final AD determination.³⁴ Therefore, in accordance with section 705(a)(1) of the Act and 19 CFR 351.210(b)(4), and based on the petitioner's request, we are aligning the final CVD determination in this investigation with the final determination in the companion AD investigation of wind towers from India. Consequently, the final CVD determination will be issued on the same date as the final AD determination, which is currently scheduled to be issued no later than August 2, 2021.

In January and February 2021, Vestas Towers America, Inc. and its affiliates (collectively, Vestas), requested that Commerce revisit its determination of industry support in this proceeding.³⁵ However, section 702(c)(4) of the Act states that, “{a}fter the administering authority makes a determination with respect to initiating an investigation, the determination regarding industry support shall not be reconsidered.”³⁶ Accordingly, we are not reconsidering our determination in this regard.

III. SCOPE COMMENTS

In accordance with the *Preamble* to Commerce's regulations,³⁷ in the *Initiation Notice*, Commerce notified parties of an opportunity to comment on the scope of the investigation.³⁸ We did not receive any comments on the scope of the investigation.

IV. SCOPE OF THE INVESTIGATION

The product covered by this investigation is certain wind towers, whether or not tapered, and sections thereof. For a full description of the scope of this investigation, *see* this memorandum's accompanying *Federal Register* notice at Appendix I.

V. INJURY TEST

Because India is a “Subsidies Agreement Country” within the meaning of section 701(b) of the Act, the 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 December 4, 2020, the ITC preliminarily determined that there is a reasonable indication that

³⁴ See Petitioner's Letter, “Utility Scale Wind Towers from India: Request to Align Countervailing Duty Investigation Final Determination with Antidumping Duty Investigation Final Determination,” dated March 16, 2021.

³⁵ See Vestas's Letter, “Utility Scale Wind Towers from India: Request for Reexamination of Industry Support,” dated January 22, 2021; *see also* Vestas's Letter, “Utility Scale Wind Towers from India: Response to Petitioner's January 25, 2021 Letter Regarding Industry Support,” dated February 5, 2021; and Petitioner's Letter, “Utility Scale Wind Towers from India: Response to Vestas' Request to Reexamine the Domestic Industry Support,” dated January 25, 2021.

³⁶ See, e.g., *Wooden Cabinets and Vanities and Components Thereof from the People's Republic of China: Final Affirmative Countervailing Duty Determination*, 85 FR 11953 (February 28, 2020), and accompanying IDM at Comment 1.

³⁷ See *Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27323 (May 19, 1997) (*Preamble*).

³⁸ See *Initiation Notice* at 73020.

an industry in the United States is materially injured by reason of imports of wind towers from India.³⁹

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.⁴⁰ Commerce finds the AUL period in this proceeding to be 12 years, pursuant to 19 CFR 351.524(d)(2) and the U.S. Internal Revenue Service's Depreciation Range System, as revised.⁴¹ Commerce notified the respondent of the 12-year AUL period in the initial questionnaire and requested data accordingly. No party in this proceeding has disputed this allocation period. We, therefore, preliminarily determine that a 12-year AUL period is appropriate to allocate benefits from non-recurring subsidies.

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 the 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 period.

B. Attribution of Subsidies

Cross-Ownership

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 the other corporation(s) 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 voting ownership interest between two corporations or through common ownership of two (or more) corporations. The *Preamble*⁴² to Commerce's regulations further clarifies Commerce's

³⁹ See *Utility Scale Wind Towers from India, Malaysia, and Spain*, 85 FR 79217 (December 9, 2020).

⁴⁰ See 19 CFR 351.524(b).

⁴¹ See U.S. Internal Revenue Service Publication 946 (2018), "How to Depreciate Property" at Table B-2: Table of Class Lives and Recovery Periods.

⁴² See *Countervailing Duties; Final Rule*, 63 FR 65347 (November 25, 1998) (*Preamble*).

cross-ownership standard. According to the *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.⁴³

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 Court of International Trade has 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 way it could use its own subsidy benefits.⁴⁴

In its questionnaire response, Vestas stated that it was an exporter of subject merchandise.⁴⁵ Vestas is affiliated with several companies via shared owners and board members, but, according to Vestas, none of these affiliated companies are involved with the production, sale, or export of subject merchandise.⁴⁶ However, through tolling arrangements, Vestas used unaffiliated producers (*i.e.*, Anand Engg, GRI Towers, and Windar) to fabricate the subject merchandise during the POI.⁴⁷ In the producers’ questionnaire responses, GRI Towers reported that it availed itself of benefits under certain subsidy programs, while Anand Engg and Windar both stated that they received no such benefits.⁴⁸

With regards to GRI Towers, it stated that it acquired and merged with Company A, whose name is business proprietary information, during the AUL.⁴⁹ According to GRI Towers, Company A manufactured “tabular wind mill towers” and availed itself of benefits under certain subsidy programs.⁵⁰ We also directed GRI Towers to provide a full questionnaire response for Company A; it stated that it did so.⁵¹

⁴³ *Id.* at 65401.

⁴⁴ See *Fabrique de Fer de Charleroi, SA v. United States*, 166 F. Supp. 2d 593, 600-04 (CIT 2001).

⁴⁵ See Vestas February 10, 2021 IQR at 4.

⁴⁶ See Vestas January 13, 2021 AFFQR at 4 and Exhibits CVD-1, CVD-1.2, and CVD-1.3.

⁴⁷ *Id.*

⁴⁸ See, *e.g.*, GRI Towers February 10, 2021 IQR at 20-21; Anand Engg February 9, 2021 IQR at 16-17; and Windar February 9, 2021 IQR at pdf 14-17.

⁴⁹ See GRI Towers February 10, 2021 IQR at 13; and GRI Towers March 12, 2021 SQR1 at pdf 7-8 and Exhibits CVDG-17 and CVDG-17.1.

⁵⁰ See GRI Towers February 10, 2021 IQR at 13 and 31; and GRI Towers March 12, 2021 SQR1 at pdf 7-8.

⁵¹ See GRI Towers March 12, 2021 SQR1 at pdf 7-8.

Pursuant to 19 CFR 351.525(c), benefits from subsidies provided to a trading company that exports subject merchandise shall be cumulated with benefits from subsidies provided to the firm that is producing the subject merchandise that is sold through the trading company, regardless of whether the trading company and the producing firm are affiliated. Thus, for this preliminary determination, we cumulated those subsidies received by Vestas with benefits from subsidies to Anand Engg, GRI Towers, and Windar, pursuant to 19 CFR 351.525(c).

C. Denominators

In accordance with 19 CFR 351.525(b)(1)-(5), Commerce considers the basis for the respondents' receipt of benefits under each program when attributing subsidies, *e.g.*, to the respondents' export or total sales. The denominators we used to calculate the countervailable subsidy rate for the various subsidy programs described below are identified in the Preliminary Calculation Memoranda prepared for this preliminary determination.⁵²

D. Loan Benchmarks and Interest 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 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.⁵³ In the absence of reported long-term loan interest rates, we use the below-discussed interest rates as discount rates for purposes of allocating non-recurring benefits over time pursuant to 19 CFR 351.524(d)(3)(i)(B).

Vestas and GRI Towers reported Indian rupee-denominated short-term and long-term loans that they received from commercial lenders. Where applicable, we relied on the interest rate that the company paid on its rupee-denominated short and long-term rate borrowing as benchmark interest rates. For years in which a company-specific rate was not available, in accordance with 19 CFR 351.505(a)(3)(ii), we used national average interest rates from the International Monetary Fund's International Financial Statistics (IFS) as benchmark rates for rupee-denominated short-term and long-term loans.

⁵² See Memoranda, “Preliminary Determination Calculations for Vestas Wind Technology India Private Limited,” dated March 19, 2021 (Vestas Preliminary Calculation Memorandum); and “Preliminary Determination Calculations for GRI Towers India Private Limited,” dated March 19, 2021 (GRI Towers Preliminary Calculation Memorandum).

⁵³ See, *e.g.*, *Certain Frozen Warmwater Shrimp from India: Final Affirmative Countervailing Duty Determination*, 78 FR 50385 (August 19, 2013) (*Shrimp from India Final Determination*), and accompanying Issues and Decision Memorandum (IDM) at “Benchmark and Discount Rates” section.

For allocating the benefit from non-recurring grants under the Export Promotion Capital Goods Scheme (EPCGS) received by GRI Towers, we have used the discount rates described above for the year in which the government agreed to provide the subsidy, consistent with 19 CFR 351.524(d)(3)(i)(A).⁵⁴ The interest-rate benchmarks and discount rates used in our preliminary calculations are provided in the Preliminary Calculation Memorandum.⁵⁵

VII. USE OF FACTS OTHERWISE AVAILABLE AND ADVERSE INFERENCES

A. Legal Standard

Section 776(a) of the Act provides that Commerce shall, subject to section 782(d) of the Act, use the “facts otherwise available” if: (1) necessary information is not on the record; or (2) an interested party or any other person withholds information that has been requested; 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; significantly impedes a proceeding; or provides information that cannot be verified as provided by section 782(i) of the Act.

Where Commerce determines that a response to a request for information does not comply with the request, section 782(d) of the Act provides that the agency will so inform the party submitting the response and will, to the extent practicable, provide that party with an opportunity to remedy or explain the deficiency. If the party fails to remedy or satisfactorily explain the deficiency within the applicable time limits, subject to section 782(e) of the Act, Commerce may disregard all or part of the original and subsequent responses, as appropriate.

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. In doing so, Commerce is not required to determine, or make any adjustments to, a countervailable subsidy rate based on any assumptions about information an interested party would have provided if the interested party had complied with the request for information.⁵⁶ Further, section 776(b)(2) of the Act states that an adverse inference 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.⁵⁷

Section 776(c) of the Act provides that, when Commerce relies on secondary information rather than on information obtained in the course of a review, it shall, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal.⁵⁸ Secondary information is “information derived from the petition that gave rise to the investigation or review, the final determination concerning the subject merchandise, or any

⁵⁴ See GRI Towers Preliminary Calculation Memorandum.

⁵⁵ *Id.*

⁵⁶ See section 776(b)(1)(B) of the Act.

⁵⁷ See 19 CFR 351.308(c).

⁵⁸ See 19 CFR 351.308(d).

previous review under section 751 concerning the subject merchandise.”⁵⁹ It is Commerce’s practice to consider information to be corroborated if it has probative value.⁶⁰ In analyzing whether information has probative value, it is Commerce’s practice to examine the reliability and relevance of the information to be used.⁶¹ However, the SAA emphasizes that Commerce need not prove that the selected facts available are the best alternative information.⁶² Further, Commerce is not required to corroborate any countervailing duty applied in a separate segment of the same proceeding.⁶³

Finally, under section 776(d) of the Act, when applying an adverse inference, Commerce may use a 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 countervailable subsidy rate for a subsidy program from a proceeding that the agency considers reasonable to use, including the highest of such rates.⁶⁴ Additionally, when using an adverse inference in selecting among the facts otherwise available, 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 interested party had cooperated or to demonstrate that the countervailable subsidy rate reflects an “alleged commercial reality of the interested party.”⁶⁵

B. Application of Adverse Facts Available to Non-Cooperating Companies

As discussed in the “Background” section above, Naiks, Nordex, Prommada, Suzlon Energy, Vinayaka Energy, Wish Energy, and Zeeco were issued Q&V questionnaires, and these companies failed to file a response on the record. Therefore, we preliminarily find that, by not responding to Commerce’s Q&V questionnaire, these companies withheld information that had been requested. Thus, in reaching a preliminary determination, pursuant to sections 776(a)(2)(A), (B), and (C) of the Act, we based the CVD rates for Naiks, Nordex, Prommada, Suzlon Energy, Vinayaka Energy, Wish Energy, and Zeeco on facts available. Moreover, we preliminarily determine that an adverse inference is warranted, pursuant to section 776(b) of the Act, because, by not responding to Commerce’s Q&V questionnaire, Naiks, Nordex, Prommada, Suzlon Energy, Vinayaka Energy, Wish Energy, and Zeeco failed to cooperate to the best of their ability to comply with the requests for information in this investigation.

Accordingly, as AFA, we find the non-responsive companies used and benefited from all programs at issue in this proceeding. For programs used by cooperating companies, as described below, we preliminarily find the programs to be specific and to provide a financial contribution. For the remaining programs upon which we initiated, the GOI did not respond to our

⁵⁹ See Statement of Administrative Action accompanying the Uruguay Round Agreements Act, H.R. Doc. No. 103-316, vol. 1 (1994) (SAA) at 870, reprinted in 1994 U.S.C.C.A.N 4040.

⁶⁰ See SAA at 870.

⁶¹ See, e.g., SAA at 869.

⁶² See SAA at 869-870.

⁶³ See section 776(c)(2) of the Act.

⁶⁴ See section 776(d)(1) and (2) of the Act.

⁶⁵ See section 776(d)(3) of the Act.

questionnaire with respect to these programs.⁶⁶ By not responding to our request for information regarding these programs, the GOI withheld information that was requested of it, failed to provide information within the deadline established, and significantly impeded this proceeding. Therefore, relying on sections 776(a)(2)(A)-(C) and 776(b) of the Act, we find that these programs constitute financial contributions and meet the specificity requirements of the Act. Accordingly, we are including all programs on which we initiated in the determination of the AFA rate for the non-responsive companies. We selected an AFA rate for each of these programs based on the methodology described in the “Selection of the AFA Rate,” below, and we included these rates in our preliminary determination of the overall AFA rate applied to each of these companies.

Selection of the AFA Rates

It is Commerce’s practice in CVD proceedings to compute a total AFA rate for non-cooperating companies using the highest calculated program-specific rates determined for the cooperating respondents in the instant investigation, or, if not available, rates calculated in prior CVD cases involving the same country.⁶⁷ When selecting AFA rates, section 776(d) of the Act provides that 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 countervailable subsidy rate for a subsidy program from a proceeding that the administering authority considers reasonable to use, including the highest of such rates.⁶⁸ Accordingly, when selecting AFA rates, if we have cooperating respondents in the investigation, we first determine if there is an identical program in the instant investigation and use the calculated rate for the identical program. If there is no identical program that resulted in a subsidy rate above zero for a cooperating respondent in the investigation, we then determine if an identical program was countervailed in another CVD proceeding involving the same country and apply the highest calculated above-de minimis rate for the identical program.⁶⁹ If no such rate exists, we then determine if there is a similar/comparable program (based on the treatment of the benefit) countervailed in any CVD proceeding involving the same country and apply the highest calculated above-de minimis rate for the similar/comparable program. Finally, where no such

⁶⁶ See Initial CVD Questionnaire at 12 (“Please ensure that you provide a full and complete response to all programs referenced in the questionnaire, including any other subsidies that may be reported.”); see also GOI February 11, 2021 FIQR at pdf 101, 113-115; and GOI February 16, 2021 SIQR at 5-8.

⁶⁷ See, e.g., *Common Alloy Aluminum Sheet from the People’s Republic of China: Preliminary Affirmative Countervailing Duty (CVD) Determination, Alignment of Final CVD Determination with Final Antidumping Duty Determination, and Preliminary CVD Determination of Critical Circumstances*, 83 FR 17651 (April 23, 2018), and accompanying Preliminary Decision Memorandum (PDM) at “X: Use of Facts Otherwise Available and Adverse Inferences: A. Application of Total AFA: Chalco Ruimin and Chalco-SWA,” unchanged in *Countervailing Duty Investigation of Common Alloy Aluminum Sheet from the People’s Republic of China: Final Affirmative Determination*, 83 FR 57427 (November 15, 2018), and accompanying IDM.

⁶⁸ See *Certain Frozen Warmwater Shrimp from the People’s Republic of China: Final Affirmative Countervailing Duty Determination*, 78 FR 50391 (August 19, 2013) (*Shrimp from China*), and accompanying IDM at 12-14; see also *Essar Steel, Ltd. v. United States*, 753 F.3d 1368, 1373-74 (Fed. Cir. 2014) (upholding use of a “hierarchical methodology for selecting an AFA rate.”).

⁶⁹ For purposes of selecting AFA program rates, we normally consider rates less than 0.5 percent to be *de minimis*. See, e.g., *Pre-Stressed Concrete Steel Wire Strand from the People’s Republic of China: Final Affirmative Countervailing Duty Determination*, 75 FR 28557 (May 21, 2010), and accompanying IDM at “E. Various Grant Programs: 1. Grant Under the Tertiary Technological Renovation Grants for Discounts Program” and “2. Grant Under the Elimination of Backward Production Capacity Award Fund.”

rate is available, we apply the highest calculated above-de minimis rate from any non-company specific program in a CVD case involving the same country that the company's industry could conceivably use.⁷⁰

Commerce's methodology is consistent with section 776(d)(1)(A) of the Act. Section 776(d)(1)(A) of the Act states that when applying an adverse inference in selecting from the facts otherwise available, Commerce may: (i) use a countervailable subsidy rate applied for the same or similar program in a CVD proceeding involving the same country, or (ii) if there is no same or similar program, use a countervailable subsidy rate for a subsidy program from a proceeding that Commerce considers reasonable to use. Thus, section 776(d)(1)(A) of the Act expressly allows for Commerce's existing practice of using an AFA hierarchy in selecting a rate "among the facts otherwise available" in CVD cases, should the facts warrant such a selection.

Section 776(d)(2) of the Act authorizes Commerce to rely on the highest prior rate under certain circumstances. In deriving an AFA rate under section 776(d)(1)(A) of the Act described above, the provision states that Commerce "may apply any of the countervailable subsidy rates or dumping margins specified under that paragraph, including the highest such rate or margin, based on the evaluation by the administering authority of the situation that resulted in the administering authority using an adverse inference in selecting among the facts otherwise available." No legislative history accompanied this provision. Accordingly, Commerce is left to interpret this "evaluation by the administering authority of the situation" language in light of existing agency practice and the structure and provisions of section 776(d) of the Act itself. We find that the Act anticipates a two-step process for determining an appropriate AFA rate in CVD cases: (1) Commerce may apply its hierarchy methodology; and (2) Commerce may apply the highest rate derived from this hierarchy to a respondent, should it choose to apply that hierarchy in the first place, unless, after an evaluation of the situation that resulted in the use of AFA, Commerce determines that the situation warrants a rate different than the rate derived from the hierarchy be applied.⁷¹

In applying the AFA rate provision, it is well established that when selecting the rate from among possible sources, Commerce seeks to use a rate that is sufficiently adverse to effectuate the statutory purpose of section 776(b) of the Act to induce respondents to provide Commerce with complete and accurate information in a timely manner. This ensures "that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully."⁷² Further, "in the case of an uncooperative respondent, Commerce is in the best position, based on its expert knowledge of the market and the individual respondent, to select adverse facts that will create the proper deterrent to non-cooperation with its investigations and assure a reasonable

⁷⁰ See *Shrimp from China* IDM at 13-14.

⁷¹ This differs from AD proceedings, for which no hierarchy applies, under section 776(d)(1)(B) of the Act. Under that provision, "any dumping margin from any segment of the proceeding under the applicable {AD} order" may be applied, which suggests an adverse rate could be derived from different available margins, given the facts on the record.

⁷² See SAA at 870; see also *Essar Steel Ltd. v. United States*, 678 F.3d 1268, 1276 (Fed. Cir. 2012) (finding that "{t}he purpose of the adverse facts statute is 'to provide respondents with an incentive to cooperate' with Commerce's investigation, not to impose punitive damages.") (quoting *F. Lii De Cecco Di Filippo Fara S. Martino S.p.A. v. United States*, 216 F.3d 1027, 1032 (Fed. Cir. 2000) (*De Cecco*)).

margin.”⁷³ It is pursuant to this knowledge and experience that Commerce has implemented its AFA hierarchy in CVD cases to select an appropriate AFA rate.⁷⁴

In applying its AFA hierarchy in CVD investigations, Commerce’s goal is as follows: in the absence of necessary information from cooperative respondents, Commerce seeks to find a rate that is a relevant indicator of how much the government of the country under investigation is likely to subsidize the industry at issue, through the program at issue, while inducing cooperation. Accordingly, in sum, the three factors that Commerce takes into account in selecting a rate are: (1) the need to induce cooperation; (2) the relevance of a rate to the industry in the country under investigation (*i.e.*, can the industry use the program from which the rate is derived); and (3) the relevance of a rate to a particular program, though not necessarily in that order of importance.

Furthermore, the hierarchy (as well as section 776(d)(1) of the Act) recognizes that there may be a “pool” of available rates that Commerce can rely upon for purposes of identifying an AFA rate for a particular program. In investigations, for example, this “pool” of rates could include the rates for the same or similar programs used in either that same investigation or prior CVD proceedings for that same country. Of those rates, the hierarchy provides a general order of preference to achieve the goal identified above. The hierarchy therefore does not focus on identifying the highest possible rate that could be applied from among that “pool” of rates; rather, it adopts the factors identified above of inducement, relevancy to the industry, and relevancy to the particular program.

Under the first step of Commerce’s investigation hierarchy, Commerce applies the highest non-zero rate calculated for a cooperating company for the identical program in the investigation. Under this step, we will even use a *de minimis* rate as AFA if that is the highest rate calculated for another cooperating respondent in the same industry for the same program. However, if there is no identical program match within the investigation, or if the rate is zero, then Commerce will shift to the second step of its investigation hierarchy and either apply the highest non-*de minimis* rate calculated for a cooperating company in another CVD proceeding involving the same country for the identical program or, if the identical program is not available, for a similar program. This step focuses on the amount of subsidies that the government has provided in the past under the investigated program. The assumption under this step is that the non-cooperating respondent under investigation uses the identical program at the highest above *de minimis* rate of any other company using the identical program.

⁷³ See *De Cecco*, 216 F.3d at 1032.

⁷⁴ Commerce has adopted a practice of applying its hierarchy in CVD cases. See, e.g., *Finished Carbon Steel Flanges from India: Final Affirmative Countervailing Duty Determination*, 82 FR 29479 (June 29, 2017) (*Steel Flanges from India Final Determination*), and accompanying IDM at Comment 4 (applying the AFA hierarchical methodology within the context of a CVD investigation); see also *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from the People’s Republic of China: Final Results of Countervailing Duty Administrative Review*; 2012, 80 FR 41003 (July 14, 2015), and accompanying IDM at 11-15 (applying the AFA hierarchical methodology within the context of a CVD administrative review). However, depending on the type of program, Commerce may not always apply its AFA hierarchy. See, e.g., *Certain Uncoated Paper from Indonesia: Final Affirmative Countervailing Duty Determination*, 81 FR 3104 (January 20, 2016), and accompanying IDM at 7-8 (applying, outside of the AFA hierarchical context, the highest combined standard income tax rate for corporations in Indonesia).

Finally, if no such rate exists, under the third step of Commerce’s investigation hierarchy, Commerce applies the highest rate calculated for a cooperating company from any non-company-specific program that the industry subject to the investigation could have used for the production or exportation of subject merchandise.⁷⁵

In all three steps of Commerce’s AFA investigation hierarchy, if Commerce were to choose low AFA rates consistently, the result could be a negative determination with no order (or a company-specific exclusion from an order) and a lost opportunity to correct future subsidized behavior. In other words, the “reward” for a lack of cooperation would be no order discipline in the future for all or some producers and exporters. Thus, in selecting the highest rate available in each step of Commerce’s investigation AFA hierarchy (which is different from selecting the highest possible rate in the “pool” of all available rates), Commerce strikes a balance between the three necessary variables: inducement, industry relevancy, and program relevancy.⁷⁶

Furthermore, we find that section 776(d)(2) of the Act applies as an exception to the selection of an AFA rate under section 776(d)(1) of the Act; that is, after “an evaluation of the situation that resulted in the application of an adverse inference,” Commerce may decide that given the unique and unusual facts on the record, the use of the highest rate within that step is not appropriate.

There are no facts on this record to suggest that a rate other than the highest rate envisioned under the appropriate step of the hierarchy applied in accordance with section 776(d)(1) of the Act should be applied as AFA. As explained above, Commerce is preliminarily applying AFA to Nordex, Prommada, Suzlon Energy, Vinayaka Energy, Wish Energy, and Zeeco. Accordingly, we are applying the applicable subsidy rate calculated for Vestas as AFA for Nordex, Prommada, Suzlon Energy, Vinayaka Energy, Wish Energy, and Zeeco for the following programs:

- Duty Drawback Program
- Export Promotion of Capital Goods Scheme
- Merchandise Export Incentive Scheme
- Interest Equalization Scheme
- State Government of Gujarat Electricity Duty Exemption

⁷⁵ In an investigation, unlike an administrative review, Commerce is just beginning to achieve an understanding of how the industry under investigation uses subsidies. Commerce may have no prior understanding of the industry and no final calculated and verified rates for the industry.

⁷⁶ It is significant that all interested parties, since at least 2007, that choose not to provide requested information have been put on notice that Commerce, in the application of facts available with an adverse inference, may apply its hierarchy methodology and select the highest rate in accordance with that hierarchy. *See, e.g., Coated Free Sheet Paper from the People’s Republic of China: Final Affirmative Countervailing Duty Determination*, 72 FR 60645 (October 25, 2007), and accompanying IDM at 2 (“As AFA in the instant case, {Commerce} is relying on the highest calculated final subsidy rates for income taxes, VAT and policy lending programs of the other producer/exporter in this investigation, Gold East Paper (Jiangsu) Co., Ltd. (GE). GE did receive any countervailable grants, so for all grant programs, we are applying the highest subsidy rate for any program otherwise listed . . .”). Therefore, when an interested party is making a decision as to whether or not to cooperate and respond to a request for information by Commerce, it does not make this decision in a vacuum; instead, the interested party makes this decision in an environment in which Commerce may apply the highest rate as AFA under its hierarchy.

- Government of Maharashtra Electricity Duty Exemption

For all other programs not mentioned above, we are applying, where available, the highest above-*de minimis* subsidy rate calculated for the same or comparable programs in an India CVD investigation or administrative review as AFA for Nordex, Prommada, Suzlon Energy, Vinayaka Energy, Wish Energy, and Zeeco. For this preliminary determination, we are able to match, based on program names, descriptions, and benefit treatments, the following programs to the same or similar programs from other India CVD proceedings:

- Status Holder Incentive Program
- Provision of Cut-to-Length Steel Plate by the State Authority of India for Less than Adequate Remuneration (LTAR)
- Advance Authorization Program
- Duty Free Import Authorization Scheme
- Export Oriented Unit Scheme
 - Duty-Free Imports of Goods, Including Capital Goods and Raw Materials
 - Reimbursement of Central Sales Tax (CST) Paid on Goods Manufactured in India
 - Duty-Drawback on Fuel Procured from Domestic Oil Companies
 - Exemption from Payment of Central Excise Duty on Goods Manufactured in India and Procured through a Domestic Tariff Area
- Market Development Assistance Program
- Market Access Initiative
- Focus Product Scheme
- Status Certificate Program
- Income Deduction Program (80-IB Tax Program)
- Subsidies Provided to Subject Merchandise Producers located in Special Economic Zones (SEZs)
 - Duty-Free Importation of Capital Goods and Raw Materials, Components, Consumables, Intermediates, Spare Parts, and Packing Materials
 - Exemption from Payment of Central Sales Tax on Purchases of Capital Goods and Raw Materials, Components, Consumables, Intermediates, Spare Parts, and Packing Material
 - Exemption from Electricity Duty and Cess on the Sales or Supply of Electricity to the SEZ Unit
 - Unit SEZ Income Tax Exemption Scheme (10A)
 - National Service Tax Exemption
- Incremental Exports Incentive Scheme
- Income Tax Deductions for Research and Development Expenses
- Deduction Under Section 32-AC of the Income Tax Act
- Grant Under the Industrial Investment Promotion Policy: 25 Percent Reimbursement of the Cost of Land in Industrial Estates and Development Areas
- Grant Under the Industrial Investment Promotion Policy: Reimbursement of Power at the Rate of Rupee (Rs.) 0.75 per Unit
- Grant Under the Industrial Investment Promotion Policy: 50 Percent Subsidy for Expenses Incurred for Quality Certification

- Grant Under the Industrial Investment Promotion Policy: 50 Percent Subsidy on Expenses Incurred in Patent Registration
- Grant Under the Industrial Investment Promotion Policy: 25- or 35- Percent Subsidy for Cleaner Production Measures
- Tax Incentives Under the Industrial Investment Promotion Policy: 100 Reimbursement of Stamp Duty and Transfer Duty Paid for the Purchase of Land and Buildings and the Obtaining of Financial Deeds and Mortgages
- Tax Incentives Under the Industrial Investment Promotion Policy: Reimbursement on Value-Added Tax (VAT), CST, and State Taxes on Goods and Services (SGST)
- Tax Incentives Under the Industrial Investment Promotion Policy: Exemption from SGAP Non-Agricultural Land Assessment
- Provision of Goods and Services for LTAR Under the Industrial Investment Promotion Policy: Provision of Infrastructure for Industries Located More Than 10 Kilometers from Existing Industrial Estates or Development Areas
- Provision of Goods and Services for LTAR Under the Industrial Investment Promotion Policy: Guaranteed Stable Water Prices and Reservation of Municipal Water
- State Government of Maharashtra's (SGOM's) Sales Tax Program
- VAT Refunds Under the SGOM Package Scheme of Incentives
- Exemption from Stamp Duty
- Infrastructure Assistance for Mega Projects Under the Maharashtra Industrial Policy of 2013 and Other SGOM Industrial Promotion Policies to Support Mega Projects
- Subsidies for Mega Projects Under the Package Scheme of Incentives
- Investment Subsidies
- Other Subsidies Under the Package Scheme of Incentives: Subsidies to Boost Micro, Small, and Medium Manufacturing Enterprises
- Waiver of Loan Interest by the State Industrial and Investment Corporation of Maharashtra (SICOM)
- Provision of Land for LTAR
- The State Government of Gujarat's (SGOG's) Exemptions and Deferrals on Sales Tax for Purchases of Goods
- The SGOG's VAT Remission Schedule Established on April 1, 2006
- 1993 KIP Grants
- 1996 KIP Grants
- 2001 KIP Grants
- 2006 KIP Grants
- SGOK's New Industrial Policy and Package of Incentives and Concessions of 1993 (1993 KIP): Tax Incentives
- SGOK's New Industrial Policy and Package of Incentives and Concessions of 1996 (1996 KIP): Tax Incentives
- SGOK's New Industrial Policy and Package of Incentives and Concessions of 2001 (2001 KIP): Tax Incentives
- 2006 KIP: Tax Incentives
- 2001 KIP: Loans
- SGOK's New Industrial Policy and Package of Incentives and Concession of 2006 (2006 KIP): Loans

- SGUP Long-Term Interest Free Loans Equivalent to the Amount of VAT and CST Paid
- The SGUP's Interest-Free Loans under the SGUP Industrial Development Promotion Rules 2003
- Infrastructure Subsidy for Privately Developed Industrial Estates
- Capital Subsidy
- Low Tension Power Tariff Subsidy
- Employment Intensive Subsidy
- Generator Subsidy
- Rebate on Stamp Duty and Registration Charges for Privately Developed Industrial Estates
- Reimbursement of Assessed VAT on Plant and Machinery
- Stamp Duty Exemption on Mortgaged and Pledged Documents For the three programs above:
- Land Reservations for Micro Enterprises in Tamil Nadu Small Industries Development Corporation Ltd. (TANSIDCO) Industrial Estates and Micro, Small and Medium Enterprises in State Industries Promotion Corporation of Tamil Nadu Ltd. (SIPCOT) Industrial Estates

Based on the methodology described above, we preliminarily determine the AFA countervailable subsidy rate for Naiks, Nordex, Prommada, Suzlon Energy, Vinayaka Energy, Wish Energy, and Zeeco to be 396.32 percent *ad valorem*. The Appendix to this memorandum contains a chart summarizing our calculation of this rate.

Corroboration of the AFA Rate

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. Secondary information is defined as “information derived from the petition that gave rise to the investigation or review, the final determination concerning the subject merchandise, or any previous review under section 751 concerning the subject merchandise.”⁷⁷ The SAA provides that, to “corroborate” secondary information, Commerce will satisfy itself that the secondary information to be used has probative value.⁷⁸

Commerce will, to the extent practicable, examine the reliability and relevance of the information to be used. The SAA emphasizes, however, that Commerce need not prove that the selected facts available are the best alternative information.⁷⁹ Furthermore, Commerce is not required to estimate what the countervailable subsidy rate would have been if the interested party failing to cooperate had cooperated or to demonstrate that the countervailable subsidy rate reflects an “alleged commercial reality” of the interested party.⁸⁰

⁷⁷ See SAA at 870.

⁷⁸ *Id.*

⁷⁹ *Id.* at 869-870.

⁸⁰ See section 776(d) of the Act.

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. With respect to the relevance aspect of corroboration, Commerce will consider information reasonably at its disposal in considering the relevance of information used to calculate a countervailable subsidy benefit. Commerce will not use information where circumstances indicate that the information is not appropriate as AFA.⁸¹

In the absence of record evidence concerning the non-responsive companies' usage of the subsidy programs at issue due to their decision not to participate in the investigation, Commerce reviewed the information concerning Indian subsidy programs in other cases. Where we have a program-type match, we find that, because these are the same or similar programs, they are relevant to the programs in this case. The relevance of these rates is that they are actual calculated CVD rates for India programs, from which the non-responsive companies could actually receive a benefit. Due to the lack of participation by these companies and the resulting lack of record information concerning these programs, Commerce has corroborated the rates it selected to use as AFA to the extent practicable for this preliminary determination.

VIII. 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

GOI Federal Programs

1. Duty Drawback Program (DDB)

Vestas reported that, under the DDB Scheme, it received rebates of duties paid when it exported products manufactured in India.⁸² The GOI explained that the DDB Scheme provides rebates for duty or tax chargeable on any imported or excisable materials used to manufacture exported goods.⁸³ Specifically, the duties and tax “neutralized” under the program are the Customs and Central Excise Duties for inputs used to manufacture exported goods.⁸⁴ DDB, which is generally fixed as a percentage of the free-on-board (FOB) price of the exported product, is provided in two ways: (1) on the basis of the actual duty incidence; or (2) on the basis of averages (All Industry Rate (AIR)).⁸⁵ In the absence of an AIR, the GOI will calculate a duty drawback rate on the actual duty.⁸⁶ During the POI, exports of wind towers were subject to an AIR.⁸⁷

⁸¹ See, e.g., *Fresh Cut Flowers from Mexico; Final Results of Antidumping Duty Administrative Review*, 61 FR 6812 (February 22, 1996).

⁸² See Vestas February 10, 2021 IQR at 20.

⁸³ See GOI February 11, 2021 FIQR at pdf 26.

⁸⁴ *Id.*

⁸⁵ *Id.*

⁸⁶ *Id.*

⁸⁷ See Vestas March 10, 2021 SQR2 at 10 and Exhibit 28.3. The drawback rate was 2 percent from April 1, 2019, to December 2019, and 1.8 percent from January 2020, to March 31, 2020.

Import duty exemptions on inputs for exported products are not countervailable, as long as the exemption extends only to inputs consumed in the production of the exported product, making normal allowances for waste.⁸⁸ 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.⁸⁹ This system must be reasonable, effective for the purposes intended, and based on generally accepted commercial practices in the country of export.⁹⁰ 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, or remission of drawback is countervailable.⁹¹

Regarding its establishment of the applicable DDB rates, the GOI stated the following in *Shrimp from India Final Determination*:

The rates are determined following a specified procedure that is undertaken by an independent committee appointed by the Government. The committee makes its recommendations after discussions with all stake holders including Export Promotion Councils, Trade Associations, and individual exporters to solicit relevant data, which includes the data on procurement prices of inputs, indigenous as well as imported, applicable duty rates, consumption ratios and FOB {free on board} values of export products. Corroborating data is also collected from Central Excise and Customs field formations. This data is analyzed and this information is used to form the basis for the rate of Duty Drawback.⁹²

However, “based on the GOI’s questionnaire responses and lacking the documentation to support that the GOI has a system in place,” we concluded in that investigation that “the GOI had not supported its claim that its system is reasonable or effective for the purposes intended.”⁹³

Similar to its statement in *Shrimp from India Final Determination*, the GOI once again reported:

The drawback rates are calculated on the basis of the data, pertaining to inputs and input services used in the manufacturing process as per SION, provided by the different export promotion councils and are duly verified by the statutory auditors. Data is also sought from the Customs, Central Excise and Service tax Commissionerate regarding the inputs used, their prices and the duty incidence on the inputs or the input services. Based on these verified data, and any additional statutory or non-statutory data available from the different government departments, the drawback rates are calculated by the Drawback Committee.⁹⁴

⁸⁸ See 19 CFR 351.519(a)(1)(ii).

⁸⁹ See *Shrimp from India Final Determination* IDM at 12-14.

⁹⁰ *Id.*

⁹¹ See 19 CFR 351.519(a)(4)(i)-(ii).

⁹² See *Shrimp from India Final Determination* IDM at 12-13.

⁹³ *Id.*

⁹⁴ See GOI February 11, 2021 FIQR at pdf 31.

Consistent with previous proceedings, including *Shrimp from India Final Determination*, the record of this investigation indicates that the GOI continues to employ universal rates based on aggregate data collected from various sources, rather than attempting to determine the respondent's actual consumption, production, and waste. With regard to the drawback rate available on the export of subject merchandise, the GOI states that the "rates provided to the goods in question represent a broad assessment of unrebated incidence (direct and embedded) of the duties for which ease of implementation are together extended as the drawback rate."⁹⁵ The GOI further provides a table that shows the drawback rate by tariff item, indicating that rates for subject merchandise are calculated on an industry basis, and therefore are not calculated based on the respondents' actual consumption, production, and waste of manufacturing inputs for subject merchandise.⁹⁶

We preliminarily determine that a financial contribution, pursuant to section 771(5)(D)(ii) of the Act, is provided under the DDB program because the rebated duties represent revenue forgone by the GOI. Because the program is available only to exporters, we preliminarily determine that the DDB program is specific under sections 771(5A)(A) and (B) of the Act. As explained above, under 19 CFR 351.519(a)(4), in the absence of an adequate drawback system, the entire amount of customs and excise duties and service taxes rebated during the POI constitutes a benefit. Drawbacks under the program are provided as a percentage of the value of the exported merchandise on a shipment-by-shipment basis. As such, it is at the time of exportation that recipients know the exact amount of the benefit (*i.e.*, the value of the drawback). Therefore, pursuant to 19 CFR 351.519(b)(1), we find that the benefits from the DDB program are conferred on the dates of exportation of the shipments for which the pertinent drawbacks were earned.⁹⁷

Vestas reported the benefits earned on exports of subject merchandise to the United States under this program on a transaction-specific basis.⁹⁸ In accordance with 19 CFR 351.525(b)(4) and (5), when a subsidy is tied to a certain product or market, Commerce will attribute that subsidy to only that product or market. For Vestas, we divided the DDB rebates earned on exports of subject merchandise to the United States during the POI by the company's exports of subject merchandise to the United States during the POI. On this basis, we preliminarily determine a net countervailable subsidy rate of 1.53 percent *ad valorem* for Vestas.

2. Export Promotion of Capital Goods Scheme

The EPCGS provides an exemption from customs duties on imports of capital goods used in the pre-production, production, and post-production of exported products.⁹⁹ Under the EPCGS, a license holder is exempt from custom duties on imported capital equipment subject to an export obligation.¹⁰⁰ To fulfill the program's obligation, a company must export a multiple of the cost, insurance, and freight (CIF) value of the imported capital goods, or a multiple of the duty saved,

⁹⁵ *Id.* at pdf 32.

⁹⁶ *Id.* at Exhibit-M.

⁹⁷ See, e.g., *Final Affirmative Countervailing Duty Determination: Certain Cut-To-Length Carbon Quality Steel Plate from India*, 64 FR 73131, 73140 (December 29, 1999).

⁹⁸ See Vestas February 10, 2021 IQR at Exhibit CVD-10.1.

⁹⁹ See GOI February 11, 2021 FIQR at pdf 43 and Exhibit-C at 85.

¹⁰⁰ *Id.* at pdf 44 and Exhibit-C at 85.

within a designated period (*e.g.*, six times the duty saved over six years, applicable for the period 2015-2020).¹⁰¹ Once a company has met its export obligation, the GOI will formally waive the duties on the imported goods. If a company fails to meet the export obligation, the company is liable for penal action, including “payment of residual duty and penalty as per the Foreign Trade (Development and Regulation) Act, 1992 and order and rules made under Foreign Trade Policy and Customs Act, 1992.”¹⁰²

We preliminarily determine that the EPCGS provides a financial contribution in the form of revenue forgone, pursuant to section 771(5)(D)(ii) of the Act, and is specific, pursuant to sections 771(5A)(A) and (B) of the Act, because the program is contingent upon export performance. Moreover, in several prior investigations, Commerce has determined that import duty reductions or exemptions provided under the EPCGS are countervailable export subsidies.¹⁰³

Under the EPCGS, the exempted import duties not paid at the time of import are unpaid liabilities to the GOI until the export obligations are met and the duty obligation is finally waived. Pursuant to 19 CFR 351.505(d)(2), we treat forgone import duties that received certification and final waiver as grants received in the year in which the GOI waived the contingent liability on the import duty exemption. It is Commerce’s practice to treat any balance on an unpaid liability that may be waived in the future as a contingent-liability interest-free loan, pursuant to 19 CFR 351.505(d)(1).¹⁰⁴ 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 exemption.

Import duty exemptions under this program are approved for the purchase of capital equipment. The preamble to our regulations states that, if a government provides an import duty exemption tied to major capital 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

¹⁰¹ *Id.*

¹⁰² *Id.* at pdf 47.

¹⁰³ See, *e.g.*, *Shrimp from India Final Determination* IDM at 14-17; see also *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 from India*), and accompanying IDM at “EPCGS.”

¹⁰⁴ See *Shrimp from India Final Determination* IDM at 14-17; see also *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 from India*), and accompanying IDM at “EPCGS”; *Glycine from India: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 83 FR 44859 (September 4, 2018), and accompanying PDM at “Export Promotion of Capital Goods Scheme,” unchanged in *Glycine from India Final Determination*; *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 PDM at 13, unchanged in *Steel Flanges from India Final Determination*; and *Forged Steel Fittings from India: Preliminary Affirmative Countervailing Duty Determination, and Alignment of Final Determination with Final Antidumping Duty Determination (Forged Steel Fittings from India)*, 85 FR 17536 (March 30, 2020), and accompanying PDM at 27.

considered non-recurring.”¹⁰⁵ 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.¹⁰⁶

Information provided by Vestas indicates that its EPCGS licenses used for the duty-free import of capital equipment related to the production of non-subject merchandise.¹⁰⁷ We find that the GOI granted the EPCGS licenses to Vestas based on the pre-production, production, or post-production of non-subject merchandise and, therefore, the EPCGS licenses are tied to non-subject merchandise within the meaning of 19 CFR 351.525(b)(5). Consequently, we preliminarily determine the benefits of the EPCGS scheme to only be attributable to the specific imported items identified in the licenses, which are not related to subject merchandise. As such, we preliminarily determine that exports of subject merchandise did not benefit under this program. This approach is consistent with Commerce’s prior findings.¹⁰⁸

GRI Towers provided transaction-specific details on all capital equipment imported using its EPCGS licenses, indicating whether the equipment was used to produce subject merchandise.¹⁰⁹ Information provided by GRI Towers indicates that the licenses used for the duty-free import of capital equipment were used to produce subject merchandise. Therefore, we measured the benefit from all of GRI Towers’ EPCGS licenses.

To calculate the benefit received from GRI Towers’ formal waivers of import duties on capital equipment imports for which the export obligations were met prior to the end of the POI, we consider the benefit to be the total amount of duties waived, *i.e.*, the calculated duties payable less any duties actually paid in the year, net of required application fees, in accordance with section 771(6) of the Act; we treated these amounts as grants, pursuant to 19 CFR 351.504. We performed the “0.5 percent test” on benefits received for each year during the AUL period. Where applicable, we allocated the benefits over time to determine the amount of benefit attributable to the POI, pursuant to 19 CFR 351.524(d)(1).

As discussed above, we are measuring the benefit for GRI Towers from licenses granted for the importation of all capital goods related to the production of subject merchandise. Since necessary information to determine the countervailable subsidy rate is not available on our record, we find it necessary to rely on the facts otherwise available, pursuant to section 776(a)(1) of the Act, to calculate a countervailable subsidy rate for GRI Towers. While GRI Towers did not make export sales directly during the POI, it sold subject merchandise it produced to Vestas, which Vestas then exported. Therefore, we are attributing the EPCGS benefits received by GRI Towers to the portion of Vestas’s total exports of subject merchandise during the POI attributed

¹⁰⁵ See *Countervailing Duties*, 63 FR 65348 (November 25, 1998).

¹⁰⁶ See, e.g., *Polyethylene Terephthalate Film, Sheet, and Strip from India: Final Results of Countervailing Duty Administrative Review*, 75 FR 6634 (February 10, 2010) (*PET Film from India 2007 Review*), and accompanying IDM at section III.A.3.

¹⁰⁷ See Vestas February 10, 2021 IQR at Exhibits CVD-11.1, CVD-11.2, and CVD-11.3.

¹⁰⁸ See, e.g., *Forged Steel Fluid End Blocks from India: Preliminary Affirmative Countervailing Duty Determination, and Alignment of Final Determination with Final Antidumping Duty Determination*, 85 FR 31452 (May 26, 2020) at section VII.A.2, unchanged in *Forged Steel Fluid End Blocks from India: Final Affirmative Countervailing Duty Determination*, 85 FR 79999 (December 11, 2020).

¹⁰⁹ See GRI Towers February 10, 2021 IQR at Exhibit CVDG-11.

to GRI Towers, consistent with 19 CFR 351.525(b)(2).¹¹⁰ As such, we divided the total benefits received by GRI Towers under the EPCGS program by a percentage of Vestas's total exports sales of subject merchandise during the POI. On this basis, we preliminarily determine a countervailable subsidy rate of 0.15 percent *ad valorem* for GRI Towers. Pursuant to 19 CFR 351.525(c), we cumulated the benefits provided to GRI Towers with the benefits provided to Vestas to calculate Vestas's total countervailable subsidy rate.

3. Merchandise Export Incentive Scheme

Vestas reported benefiting from this program during the POI.¹¹¹ The Merchandise Exports Incentive Scheme (MEIS)¹¹² took effect on April 1, 2015. Under this program, the GOI issues a scrip (duty credit) worth either: (1) two, three, or five percent of the FOB value of the exports in free foreign exchange realized or received; or (2) the "FOB value of exports in free foreign exchange, or on FOB value of exports given in the shipping bills in freely convertible foreign currencies, whichever is less."¹¹³ Indian producers and exporters must submit an application within three years of the date of the shipping bill. The GOI discontinued MEIS as of January 1, 2021, and the last date a firm can make a claim is December 31, 2023, or three years from the date of shipping bills.¹¹⁴ According to the GOI, the purpose of this program is to offset the infrastructural inefficiencies incurred by the export of goods manufactured in India.¹¹⁵ There is no limit on the size of the benefit for exports made before January 9, 2020, but there is a maximum entitlement of "Rs 2 Cr per IEC holder" for exports made from January 9, 2020, to December 31, 2020, due to budget limitations.¹¹⁶

The rate of duty credit scrip for specific products is determined by the Indian Trade Classification Harmonized System. This rate is applied to the FOB value of the export sale to determine the value of the scrip.¹¹⁷ To be eligible for benefits under the MEIS, a firm must export goods eligible under the scheme.¹¹⁸ An application must then be submitted to the Directorate General of Foreign Trade, which reviews it and issues the duty credit scrip.¹¹⁹ Duty credit scrips can then be redeemed to pay customs and excise duties.

We preliminarily determine that the MEIS provides a countervailable subsidy. The MEIS is specific within the meaning of sections 771(5A)(A) and (B) of the Act because eligibility to receive scrips under this program is contingent upon export performance.¹²⁰ The program provides a financial contribution in the form of revenue forgone under section 771(5)(D)(ii) of

¹¹⁰ See GRI Towers Preliminary Calculation Memorandum.

¹¹¹ See Vestas February 10, 2021 IQR at 33-34.

¹¹² This program is also referred to as the Merchandise Exports from India Scheme.

¹¹³ See GOI February 11, 2021 FIQR at pdf 65-66 and Exhibit-C at 52; see also Vestas February 10, 2021 IQR at Exhibit CVD-12.1.

¹¹⁴ *Id.* at pdf 76.

¹¹⁵ *Id.* at pdf 71.

¹¹⁶ *Id.* at pdf 71 and Exhibit-T.

¹¹⁷ *Id.* at pdf 63.

¹¹⁸ *Id.* at pdf 62, Exhibit-C at 52 and Exhibit-D at 76.

¹¹⁹ *Id.* at pdf 66.

¹²⁰ *Id.* at Exhibit-C at 52 ("Exports of notified goods/products with ITC{HS} code, to notified markets as listed in Appendix 3B, shall be rewarded under MEIS.").

the Act because the scrips provide exemptions from paying future import duties that would be otherwise owed, representing revenue forgone by the GOI.

Because Vestas reported benefits received under the MEIS program related to both subject and non-subject merchandise, we are relying on the total MEIS Certificate Value to determine the benefit amount.¹²¹ To calculate the countervailable subsidy rate, we divided the benefit amount by the value of Vestas's total export sales during the POI. On this basis, we preliminarily determine the countervailable subsidy provided to Vestas under the MEIS to be 1.13 percent *ad valorem*.

4. Interest Equalization Scheme

Taking effect on April 1, 2015, the Interest Equalization Scheme (IES) is an export financing program that provides pre- and post-shipment financing in rupee denominations. The Reserve Bank of India (RBI) provides a refund of three percent of interest on rupee-denominated loans for the purpose of pre-shipment and post-shipment export financing.¹²² Under this program, loans are issued by commercial banks, with the interest rate set by the bank at a rate no lower than the base rate determined by the RBI.¹²³ While the reduction in the interest rate is paid to the commercial bank, the bank is required to "completely pass on the benefit of interest equalization, as applicable, to the eligible exporters upfront and submit the claims to RBI for reimbursement."¹²⁴ The program is available to all exporters of products under specific tariff codes, and to all micro, small, and medium enterprises (MSMEs).¹²⁵

Vestas reported receiving the packing credit in rupee (PCRE) type of export credit loan during the POI.¹²⁶ Beginning July 1, 2010, the RBI eliminated the interest rate cap set on loans under this program denominated in foreign currency.¹²⁷ Accordingly, Vestas's export financing loan type denominated in rupees (*i.e.*, PRCE) is eligible for reduced interest rates under the IES.

Based on the information provided on the record of the investigation, we preliminarily find that a benefit was conferred under section 771(5)(E)(ii) of the Act in that the interest rates provided under this program are lower than those commercially available. We preliminarily find that the subsidy is specific because it is export contingent, consistent with sections 771(5A)(A) and (B) of the Act.

For its pre-shipment transactions (*i.e.*, PCRE), Vestas did not indicate the country of export or whether the exported product was subject or non-subject merchandise. To calculate the benefits for PCRE, we compared the interest that would have been paid absent this program to the

¹²¹ See Vestas February 10, 2021 IQR at Exhibit CVD-12.2; *see also* Vestas March 10, 2021 SQR2 at 13 and Exhibit CVD-29.

¹²² See GOI February 11, 2021 FIQR at pdf 77.

¹²³ *Id.*

¹²⁴ *Id.* at Exhibit-V at 114.

¹²⁵ *Id.* at pdf 78.

¹²⁶ See Vestas February 10, 2021 IQR at Exhibit CVD-15.2.

¹²⁷ See *Shrimp from India Final Determination*.

interest actually paid¹²⁸ for all of Vestas's export packing credits for exports during the POI. We divided this benefit amount by Vestas's total export sales during the POI.

Finally, we summed the value of the interest rate refunded. On this basis, we preliminarily determine a countervailable subsidy rate of 0.57 percent *ad valorem* for Vestas.

SGOG Subsidy Programs

5. SGOG Electricity Duty Exemption

Under the Gujarat Electricity Duty Exemption Scheme, established by the Gujarat Electricity Duty Act of 1958, an entity that establishes a new or additional unit of an industrial undertaking in Gujarat is entitled to an exemption from the electricity duty under the program for energy consumed for industrial purposes.¹²⁹ This exemption is available for up to five years after the start of the industrial undertaking.¹³⁰ Vestas reported, and the SGOG confirmed, that it received electricity duty exemption for its manufacturing facility in Gujarat under section 3(2)(vii) of the Gujarat Electricity Duty Act 1958.¹³¹

Based on this information, we preliminarily determine that this program constitutes a financial contribution, in the form of revenue foregone, and is regionally-specific, under sections 771(5)(D)(ii) and 771(5A)(D)(iv) of the Act, respectively.

To calculate the benefit, we first calculated the uncollected (*i.e.*, not paid by Vestas during the POI) electricity duty and divided this benefit amount by Vestas's total sales during the POI to calculate a countervailable subsidy of 0.03 percent *ad valorem*.¹³²

SGOM Subsidy Programs

6. SGOM Electricity Duty Exemption

GRI Towers reported it was exempted from the payment of electricity duty during the POI, thus conferring a benefit pursuant to section 771(5)(E) of the Act. The SGOM granted the "Eligibility Certificate" for Company A, whom GRI Towers later acquired, under the Package Scheme of Incentives 2001.¹³³ Under the Package Scheme of Incentives 2001, new units established in C, D, and D+ areas and No-Industry Districts were eligible for exemption from the electricity duty for 15 years.¹³⁴ GRI reported that the SGOM granted the electricity duty exemption because a new unit for manufacturing wind towers was set up in a designated area. The electricity duty exemption for Company A, and subsequently GRI Towers, was issued for 14 years and 8 months, or from September 29, 2005, to May 28, 2020.¹³⁵

¹²⁸ We note that this difference represents the interest rate refund provided by the RBI (*i.e.*, three percent).

¹²⁹ See GOI March 17, 2021 SQR1 at 19, 23, 27-31 and Exhibits AO and AP.

¹³⁰ *Id.*

¹³¹ See Vestas February 10, 2021 IQR at 67; and GOI March 17, 2021 SQR1 at 34.

¹³² See Vestas Preliminary Calc Memo.

¹³³ See GRI Towers February 10, 2021 IQR at 31-32; see also GOI March 17, 2021 SQR1 at 15-16 and Exhibit-AN.

¹³⁴ See GOI March 17, 2021 SQR1 at 17-18 and Exhibit-AN at 15.

¹³⁵ See GRI Towers February 10, 2021 IQR at 31; see also GOI March 17, 2021 SQR1 at 17.

We preliminarily determine that the SGOM provided a financial contribution that is specific through this program. The SGOM provides a package of incentives to new or expanded units established in developing regions of the state under the Package Scheme of Incentives.¹³⁶ As a result, we preliminarily determine that this program constitutes a financial contribution, in the form of revenue forgone, and is regionally-specific, under sections 771(5)(D)(ii) and 771(5A)(D)(iv) of the Act, respectively.

To calculate the subsidy rate, we divided the benefit by GRI Towers' total sales during the POI. On this basis, we preliminarily determine a countervailable subsidy of 0.33 percent *ad valorem* for GRI Towers. Pursuant to 19 CFR 351.525(c), we cumulated the benefits provided to GRI Towers with the benefits provided to Vestas to calculate Vestas's total countervailable subsidy rate.

B. Programs Preliminarily Determined Not to Provide Measurable Benefits to Vestas During the POI

1. Status Holder Incentive Scheme

C. Programs Preliminarily Determined Not to Be Used by Vestas During the POI

Vestas and its cross-owned affiliates and unaffiliated tollers reported non-use of the following programs on which Commerce initiated.¹³⁷

Government of India Programs

1. Advance Authorization Program (AAP)

Under the AAP exporters may import duty free specified quantities of inputs required to manufacture products that are subsequently exported.¹³⁸ According to Vestas, it did not obtain any AAP licenses for subject merchandise, nor has it made any imports of inputs for use in the production of subject merchandise or for exports of subject merchandise under an AAP license to any country.¹³⁹ We examined certain documentation related to Vestas's license, application, and export data and preliminarily determined that the items to be exported under the licenses did not include subject merchandise.¹⁴⁰ We find that, at the point of bestowal, the GOI granted to Vestas the AAP licenses based on the production and export of non-subject merchandise and, therefore, the AAP licenses are tied to non-subject merchandise within the meaning of 19 CFR 351.525(b)(5). Consequently, we preliminarily determine the benefits of the AAP to only be attributable to the specific exported products identified in the licenses, which do not include subject merchandise. As such, we preliminarily determine that exports of subject merchandise

¹³⁶ See GRI February 10, 2021 IQR at Exhibit CVDG-13; *see also* GOI March 17, 2021 SQR1 at Exhibit-AN.

¹³⁷ See Vestas February 11, 2021 IQR at 12.

¹³⁸ See Vestas February 10, 2021 IQR at Exhibit CVD-9.

¹³⁹ *Id.* at 14.

¹⁴⁰ *Id.* at Exhibit CVD-9.3; *see also* GOI February 11, 2021 FIQR at Exhibit-G.

did not benefit under this program. This approach is consistent with Commerce's prior findings.¹⁴¹

2. Provision of Cut-to-Length Steel Plate by the State Authority of India for Less than Adequate Remuneration
3. Duty Free Import Authorization Scheme
4. Export Oriented Unit Scheme
 - a. Duty-Free Imports of Goods, Including Capital Goods and Raw Materials
 - b. Reimbursement of CST Paid on Goods Manufactured in India
 - c. Duty-Drawback on Fuel Procured from Domestic Oil Companies
 - d. Exemption from Payment of Central Excise Duty on Goods Manufactured in India and Procured through a Domestic Tariff Area
5. Market Development Assistance Program
6. Market Access Initiative
7. Focus Product Scheme
8. Status Certificate Program
9. Income Deduction Program (80-IB Tax Program)
10. Subsidies Provided to Subject Merchandise Producers located in Special Economic Zones (SEZs)
 - a. Duty-Free Importation of Capital Goods and Raw Materials, Components, Consumables, Intermediates, Spare Parts, and Packing Materials
 - b. Exemption from Payment of Central Sales Tax on Purchases of Capital Goods and Raw Materials, Components, Consumables, Intermediates, Spare Parts, and Packing Material
 - c. Exemption from Electricity Duty and Cess on the Sales or Supply of Electricity to the SEZ Unit
 - d. Unit SEZ Income Tax Exemption Scheme (10A)
 - e. National Service Tax Exemption
11. Incremental Exports Incentive Scheme
12. Income Tax Deductions for Research and Development Expenses
13. Deduction Under Section 32-AC of the Income Tax Act

State Government of Andhra Pradesh (SGAP) Subsidy Programs

1. Grant Under the Industrial Investment Promotion Policy: 25 Percent Reimbursement of the Cost of Land in Industrial Estates and Development Areas
2. Grant Under the Industrial Investment Promotion Policy: Reimbursement of Power at the Rate of Rupee (Rs.) 0.75 per Unit

¹⁴¹ See *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), and accompanying IDM at Advance License Program/Advance Authorization Program; see also *Certain Quartz Surface Products from India: Preliminary Affirmative Countervailing Duty Determination, Preliminary Affirmative Critical Circumstances Determination, In Part, and Alignment of Final Determination With Final Antidumping Duty Determination*, 84 FR 54838 (October 11, 2019), and accompanying PDM at 27, unchanged in *Certain Quartz Surface Products from India: Final Affirmative Countervailing Duty Determination and Final Affirmative Determination of Critical Circumstances, In Part*, 85 FR 25398 (May 1, 2020) (*Quartz Surface Products from India Final Determination*).

3. Grant Under the Industrial Investment Promotion Policy: 50 Percent Subsidy for Expenses Incurred for Quality Certification
4. Grant Under the Industrial Investment Promotion Policy: 50 Percent Subsidy on Expenses Incurred in Patent Registration
5. Grant Under the Industrial Investment Promotion Policy: 25- or 35- Percent Subsidy for Cleaner Production Measures
6. Tax Incentives Under the Industrial Investment Promotion Policy: 100 Reimbursement of Stamp Duty and Transfer Duty Paid for the Purchase of Land and Buildings and the Obtaining of Financial Deeds and Mortgages
7. Tax Incentives Under the Industrial Investment Promotion Policy: Reimbursement on VAT, CST, and SGST
8. Tax Incentives Under the Industrial Investment Promotion Policy: Exemption from SGAP Non-Agricultural Land Assessment
9. Provision of Goods and Services for LTAR Under the Industrial Investment Promotion Policy: Provision of Infrastructure for Industries Located More Than 10 Kilometers from Existing Industrial Estates or Development Areas
10. Provision of Goods and Services for LTAR Under the Industrial Investment Promotion Policy: Guaranteed Stable Water Prices and Reservation of Municipal Water

State Government of Maharashtra (SGOM) Subsidy Programs

1. SGOM Sales Tax Program
2. VAT Refunds Under the SGOM Package Scheme of Incentives
3. Exemption from Stamp Duty
4. Infrastructure Assistance for Mega Projects Under the Maharashtra Industrial Policy of 2013 and Other SGOM Industrial Promotion Policies to Support Mega Projects
5. Subsidies for Mega Projects Under the Package Scheme of Incentives
6. Investment Subsidies
7. Other Subsidies Under the Package Scheme of Incentives: Subsidies to Boost Micro, Small, and Medium Manufacturing Enterprises
8. Waiver of Loan Interest by the State Industrial and Investment Corporation of Maharashtra (SICOM)
9. Provision of Land for LTAR

State of Government of Gujarat (SGOG) Subsidy Programs

1. The SGOG's Exemptions and Deferrals on Sales Tax for Purchases of Goods
2. The SGOG's VAT Remission Schedule Established on April 1, 2006

State Government of Karnataka (SGOK) Subsidy Programs

1. 1993 KIP Grants
2. 1996 KIP Grants
3. 2001 KIP Grants
4. 2006 KIP Grants

5. SGOK's New Industrial Policy and Package of Incentives and Concessions of 1993 (1993 KIP): Tax Incentives
6. SGOK's New Industrial Policy and Package of Incentives and Concessions of 1996 (1996 KIP): Tax Incentives
7. SGOK's New Industrial Policy and Package of Incentives and Concessions of 2001 (2001 KIP): Tax Incentives
8. 2006 KIP: Tax Incentives
9. 2001 KIP: Loans
10. SGOK's New Industrial Policy and Package of Incentives and Concession of 2006 (2006 KIP): Loans

State Government of Uttar Pradesh (SGUP) Subsidy Programs

1. SGUP Long-Term Interest Free Loans Equivalent to the Amount of VAT and CST Paid
2. The SGUP's Interest-Free Loans under the SGUP Industrial Development Promotion Rules 2003

State Government of Tamil Nadu (SGTN) Subsidy Programs

1. Infrastructure Subsidy for Privately Developed Industrial Estates
2. Capital Subsidy
3. Low Tension Power Tariff Subsidy
4. Employment Intensive Subsidy
5. Generator Subsidy
6. Rebate on Stamp Duty and Registration Charges for Privately Developed Industrial Estates
7. Reimbursement of Assessed VAT on Plant and Machinery
8. Stamp Duty Exemption on Mortgaged and Pledged Documents
9. Land Reservations for Micro Enterprises in Tamil Nadu Small Industries Development Corporation Ltd. (TANSIDCO) Industrial Estates and Micro, Small and Medium Enterprises in State Industries Promotion Corporation of Tamil Nadu Ltd. (SIPCOT) Industrial Estates

IX. RECOMMENDATION

We recommend that you approve the preliminary findings described above.

☒

Agree

A handwritten signature in blue ink, appearing to read "C. Marsh", is written over a horizontal line.

☐

Disagree

Christian Marsh
Acting Assistant Secretary
for Enforcement and Compliance

APPENDIX

AFA Rate Calculation

Programs	AFA Rate (%)
<i>Measurable Programs</i>	
Duty Drawback Program	1.53 ¹⁴²
Export Promotion of Capital Goods Scheme	0.15 ¹⁴³
Merchandise Export Incentive Scheme	1.13 ¹⁴⁴
Interest Equalization Scheme	0.57 ¹⁴⁵
SGOG Electricity Duty Exemption	0.03 ¹⁴⁶
SGOM Electricity Duty Exemption	0.33 ¹⁴⁷
<i>Government of India Programs</i>	
Status Holder Incentive Scheme	0.43 ¹⁴⁸
Provision of Cut-to-Length Steel Plate by the State Authority of India for Less than Adequate Remuneration	16.14 ¹⁴⁹
Advance Authorization Program	19.22 ¹⁵⁰
Duty Free Import Authorization Scheme	14.61 ¹⁵¹
EOU Scheme – Duty-Free Imports of Goods, Including Capital Goods and Raw Materials	14.61 ¹⁵²
EOU Scheme – Reimbursement of Central Sales Tax (CST) Paid on Goods Manufactured in India	3.09 ¹⁵³
EOU Scheme – Duty-Drawback on Fuel Procured from Domestic Oil Companies	14.61 ¹⁵⁴
Exemption from Payment of Central Excise Duty on Goods Manufactured in India and Procured Through a Domestic Tariff Area	14.61 ¹⁵⁵
Market Development Assistance Program	16.63 ¹⁵⁶
Market Access Initiative	16.63 ¹⁵⁷

¹⁴² See Vestas Preliminary Calculation Memorandum.

¹⁴³ See GRI Towers Preliminary Calculation Memorandum.

¹⁴⁴ See Vestas Preliminary Calculation Memorandum.

¹⁴⁵ *Id.*

¹⁴⁶ *Id.*

¹⁴⁷ See GRI Towers Preliminary Calculation Memorandum.

¹⁴⁸ See *Finished Carbon Steel Flanges from India: Final Results of Countervailing Duty Administrative Review*, 2016-2017, 85 FR 18193 (April 1, 2020), and accompanying IDM at 6.

¹⁴⁹ See *Large Diameter Welded Pipe from India: Final Affirmative Countervailing Duty Determination*, 83 FR 56819 (November 14, 2018) (*LDWP from India Final Determination*), and accompanying IDM at 30.

¹⁵⁰ See *Polyester Textured Yarn from India: Final Affirmative Countervailing Duty Determination*, 84 FR 63848 (November 19, 2019) (*Yarn from India Final Determination*), and accompanying IDM at 7.

¹⁵¹ See *LDWP from India Final Determination* IDM at 29.

¹⁵² *Id.*

¹⁵³ *Id.*

¹⁵⁴ *Id.*

¹⁵⁵ *Id.*

¹⁵⁶ *Id.*

¹⁵⁷ *Id.*

Focus Product Scheme	1.99 ¹⁵⁸
Status Certificate Program	2.90 ¹⁵⁹
Income Deduction Program (80-IB Tax Program)	35.00 ¹⁶⁰
SEZ: Duty-Free Importation of Capital Goods and Raw Materials, Components, Consumables, Intermediates, Spare Parts, and Packing Materials	3.88 ¹⁶¹
SEZ: Exemption from Payment of Central Sales Tax on Purchases of Capital Goods and Raw Materials, Components, Consumables, Intermediates, Spare Parts, and Packing Material	0.53 ¹⁶²
SEZ: Exemption from Electricity Duty and Cess on the Sales or Supply of Electricity to the SEZ Unit	1.01 ¹⁶³
SEZ: Unit SEZ Income Tax Exemption Scheme (10A)	1.29 ¹⁶⁴
SEZ: National Service Tax Exemption	3.09 ¹⁶⁵
Incremental Exports Incentive Scheme	0.40 ¹⁶⁶
Income Tax Deductions for Research and Development Expenses	0.21 ¹⁶⁷
Deduction Under Section 32-AC of the Income Tax Act	0.38 ¹⁶⁸
<i>SGAP Subsidy Programs</i>	
Grant Under the Industrial Investment Promotion Policy: 25 Percent Reimbursement of the Cost of Land in Industrial Estates and Development Areas	6.06 ¹⁶⁹
Grant Under the Industrial Investment Promotion Policy: Reimbursement of Power at the Rate of Rupee (Rs.) 0.75 per Unit	6.06 ¹⁷⁰
Grant Under the Industrial Investment Promotion Policy: 50 Percent Subsidy for Expenses Incurred for Quality Certification	6.06 ¹⁷¹
Grant Under the Industrial Investment Promotion Policy: 50 Percent Subsidy on Expenses Incurred in Patent Registration	6.06 ¹⁷²

¹⁵⁸ See *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) (*PET Resin from India Final Determination*), and accompanying IDM at 18-19.

¹⁵⁹ See *LDWP from India Final Determination* IDM at 30.

¹⁶⁰ *Id.*

¹⁶¹ See *Polyethylene Terephthalate Film, Sheet, and Strip from India: Final Results of Countervailing Duty Administrative Review; 2017*, 85 FR 14463 (March 12, 2020) (*PET Film from India Final Determination AR 2017*), and accompanying IDM at 11.

¹⁶² See *LDWP from India Final Determination* IDM at 30.

¹⁶³ See *PET Film from India Final Determination AR 2017* IDM at 11.

¹⁶⁴ See *Polyethylene Terephthalate Film, Sheet, and Strip from India: Final Results of Countervailing Duty New Shipper Review*, 76 FR 30910 (May 27, 2011), and accompanying IDM at 18.

¹⁶⁵ See *LDWP from India Final Determination* IDM at 30.

¹⁶⁶ *Id.*

¹⁶⁷ See *Fluid Ends Blocks from India Final Determination* IDM at 5.

¹⁶⁸ See *Certain Cold-Drawn Mechanical Tubing of Carbon and Alloy Steel from India: Final Results of Countervailing Duty Administrative Review, 2017-2018*, 85 FR 66304 (October 19, 2020) (*CDMT from India Final Determination AR 17-18* IDM at 6.

¹⁶⁹ See *LDWP from India Final Determination* IDM at 31.

¹⁷⁰ *Id.*

¹⁷¹ *Id.*

¹⁷² *Id.*

Grant Under the Industrial Investment Promotion Policy: 25- or 35- Percent Subsidy for Cleaner Production Measures	6.06 ¹⁷³
Tax Incentives Under the Industrial Investment Promotion Policy: 100 Reimbursement of Stamp Duty and Transfer Duty Paid for the Purchase of Land and Buildings and the Obtaining of Financial Deeds and Mortgages	3.09 ¹⁷⁴
Tax Incentives Under the Industrial Investment Promotion Policy: Reimbursement on Value-Added Tax (VAT), Central Sales Tax (CST), and State Taxes on Goods and Services (SGST)	3.09 ¹⁷⁵
Tax Incentives Under the Industrial Investment Promotion Policy: Exemption from SGAP Non-Agricultural Land Assessment	3.09 ¹⁷⁶
Provision of Goods and Services for Less Than Adequate Remuneration (LTAR) Under the Industrial Investment Promotion Policy: Provision of Infrastructure for Industries Located More Than 10 Kilometers from Existing Industrial Estates or Development Areas	18.08 ¹⁷⁷
Provision of Goods and Services for LTAR Under the Industrial Investment Promotion Policy: Guaranteed Stable Water Prices and Reservation of Municipal Water	18.08 ¹⁷⁸
<i>SGOM Subsidy Programs</i>	
SGOM Sales Tax Program	0.63 ¹⁷⁹
VAT Refunds Under the SGOM Package Scheme of Incentives	3.09 ¹⁸⁰
Exemption from Stamp Duty	3.09 ¹⁸¹
Infrastructure Assistance for Mega Projects Under the Maharashtra Industrial Policy of 2013 and Other SGOM Industrial Promotion Policies to Support Mega Projects	6.06 ¹⁸²
Subsidies for Mega Projects Under the Package Scheme of Incentives	0.95 ¹⁸³
Investment Subsidies	6.06 ¹⁸⁴
Other Subsidies Under the Package Scheme of Incentives: Subsidies to Boost Micro, Small, and Medium Manufacturing Enterprises	6.06 ¹⁸⁵
Waiver of Loan Interest by the State Industrial and Investment Corporation of Maharashtra (SICOM)	2.90 ¹⁸⁶
Provision of Land for LTAR	18.08 ¹⁸⁷

¹⁷³ *Id.*

¹⁷⁴ *Id.*

¹⁷⁵ *Id.*

¹⁷⁶ *Id.*

¹⁷⁷ *Id.*

¹⁷⁸ *Id.*

¹⁷⁹ See *Certain Corrosion-Resistant Steel Products from India: Final Results of Countervailing Duty Administrative Review*; 2015-2016, 84 FR 11053 (March 25, 2019) (*CORE from India Final Determination AR 15-16*), and accompanying IDM at 10.

¹⁸⁰ See *LDWP from India Final Determination IDM* at 32.

¹⁸¹ *Id.*

¹⁸² *Id.*

¹⁸³ *Id.*

¹⁸⁴ *Id.*

¹⁸⁵ *Id.*

¹⁸⁶ *Id.*

¹⁸⁷ *Id.*

<i>SGOG Subsidy Programs</i>	
The SGOG's Exemptions and Deferrals on Sales Tax for Purchases of Goods	3.09 ¹⁸⁸
The SGOG's VAT Remission Schedule Established on April 1, 2006	3.09 ¹⁸⁹
<i>SGOK Subsidy Programs</i>	
1993 KIP Grants	6.06 ¹⁹⁰
1996 KIP Grants	6.06 ¹⁹¹
2001 KIP Grants	6.06 ¹⁹²
2006 KIP Grants	6.06 ¹⁹³
SGOK's New Industrial Policy and Package of Incentives and Concessions of 1993 (1993 KIP): Tax Incentives	0.03 ¹⁹⁴
SGOK's New Industrial Policy and Package of Incentives and Concessions of 1996 (1996 KIP): Tax Incentives	0.03 ¹⁹⁵
SGOK's New Industrial Policy and Package of Incentives and Concessions of 2001 (2001 KIP): Tax Incentives	0.03 ¹⁹⁶
2006 KIP: Tax Incentives	0.03 ¹⁹⁷
2001 KIP: Loans	1.32 ¹⁹⁸
SGOK's New Industrial Policy and Package of Incentives and Concession of 2006 (2006 KIP): Loans	1.32 ¹⁹⁹
<i>SGUP Subsidy Programs</i>	
SGUP Long-Term Interest Free Loans Equivalent to the Amount of VAT and CST Paid	3.09 ²⁰⁰
The SGUP's Interest-Free Loans under the SGUP Industrial Development Promotion Rules 2003	1.32 ²⁰¹
<i>SGTN Subsidy Programs</i>	
Infrastructure Subsidy for Privately Developed Industrial Estates	6.06 ²⁰²
Capital Subsidy	6.06 ²⁰³

¹⁸⁸ *Id.*

¹⁸⁹ *Id.*

¹⁹⁰ *Id.* at 33.

¹⁹¹ *Id.*

¹⁹² *Id.*

¹⁹³ *Id.*

¹⁹⁴ See *CORE from India Final Determination AR 15-16* IDM at 10 and Comment 8.

¹⁹⁵ *Id.*

¹⁹⁶ *Id.*

¹⁹⁷ *Id.*

¹⁹⁸ See *LDWP from India Final Determination* IDM at 33.

¹⁹⁹ *Id.*

²⁰⁰ *Id.*

²⁰¹ *Id.*

²⁰² See *Circular Welded Carbon-Quality Steel Pipe from India: Final Affirmative Countervailing Duty Determination*, 77 FR 64468 (October 22, 2012) (*Circular Welded Pipe from India Final Determination*), and accompanying IDM at 29-30, which corresponds to the highest above *de minimis* subsidy rates calculated for similar programs in another proceeding involving India.

²⁰³ *Id.* at 30-31, which corresponds to the highest above *de minimis* subsidy rate calculated for a similar program in any segment of any proceeding involving India.

Low Tension Power Tariff Subsidy	0.33 ²⁰⁴
Employment Intensive Subsidy	6.06 ²⁰⁵
Generator Subsidy	6.06 ²⁰⁶
Rebate on Stamp Duty and Registration Charges for Privately Developed Industrial Estates	3.09 ²⁰⁷
Reimbursement of Assessed VAT on Plant and Machinery	3.09 ²⁰⁸
Stamp Duty Exemption on Mortgaged and Pledged Documents	3.09 ²⁰⁹
Land Reservations for Micro Enterprises in Tamil Nadu Small Industries Development Corporation Ltd. (TANSIDCO) Industrial Estates and Micro, Small and Medium Enterprises in State Industries Promotion Corporation of Tamil Nadu Ltd. (SIPCOT) Industrial Estates	18.08 ²¹⁰
Total AFA Rate:	397.16

²⁰⁴ The rate corresponds to the highest subsidy rate calculated for a similar program in this proceeding.

²⁰⁵ See *Circular Welded Pipe from India Final Determination* IDM at 29-30, which corresponds to the highest above *de minimis* subsidy rates calculated for similar programs in another proceeding involving India.

²⁰⁶ *Id.*, which corresponds to the highest above *de minimis* subsidy rates calculated for similar programs in another proceeding involving India.

²⁰⁷ See *Final Results of Countervailing Duty Administrative Review: Certain Hot-Rolled Carbon Steel Flat Products from India*, 71 FR 28665 (May 17, 2006), and accompanying IDM at “State Government of Gujarat (SGOG) Tax Incentives,” where Commerce calculated a rate for a similar program.

²⁰⁸ See *Certain Hot-Rolled Carbon Steel Flat Products from India: Final Results of Countervailing Duty Administrative Review*, 75 FR 43488 (July 26, 2010), and accompanying IDM at 32, which corresponds to the highest above *de minimis* subsidy rates calculated for similar programs in another proceeding involving India.

²⁰⁹ *Id.*, which corresponds to the highest above *de minimis* subsidy rates calculated for similar programs in another proceeding involving India.

²¹⁰ See *Circular Welded Pipe from India Final Determination* IDM at 30, which corresponds to the highest above *de minimis* subsidy rate calculated for a similar program in any segment of any proceeding involving India.