

interested parties claimed interested party status under section 771(9)(C) of the Act as U.S. producers of a domestic like product and under section 771(9)(E) as a trade association whose members produce the domestic like product in the United States. We received complete substantive responses from domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i). However, we did not receive any responses from any respondent interested parties. As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted expedited sunset reviews of these orders.

Scope of the Orders

For purposes of these orders, the products covered are natural honey, artificial honey containing more than 50 percent natural honey by weight, preparations of natural honey containing more than 50 percent natural

honey by weight, and flavored honey. The subject merchandise includes all grades and colors of honey whether in liquid, creamed, comb, cut comb, or chunk form, and whether packaged for retail or in bulk form.

The merchandise covered by these orders is currently classifiable under subheadings 0409.00.00, 1702.90.90, and 2106.90.99 of the *Harmonized Tariff Schedule of the United States* (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the Department's written description of the merchandise under this order is dispositive.

Analysis of Comments Received

All issues raised in these cases are addressed in the "Issues and Decision Memorandum" from Stephen Claeys, Deputy Assistant Secretary for AD/CVD Operations, Import Administration, to David M. Spooner, Assistant Secretary for Import Administration, dated March 1, 2007 (Decision Memorandum), which

is hereby adopted by this notice. The issues discussed in the Decision Memorandum include the likelihood of continuation or recurrence of dumping and the magnitude of the margin likely to prevail if the orders were revoked. Parties can find a complete discussion of all issues raised in these sunset reviews and the corresponding recommendations in this public memorandum, which is on file in room B-099 of the main Department building.

In addition, a complete version of the Decision Memorandum can be accessed directly on the Internet at <http://ia.ita.doc.gov/frn/>. The paper copy and electronic version of the Decision Memorandum are identical in content.

Final Results of Sunset Reviews

We determine that revocation of the antidumping duty orders on honey from Argentina and the PRC would likely lead to continuation or recurrence of dumping at the following percentage weighted-average margins:

Manufacturers/exporters/producers	Weighted-average margin (percent)
<i>Argentina:</i>	
Asociacion de Cooperativas Argentinas (ACA)	37.44
Radix S.R.L. (Radix)	32.56
ConAgra Argentina	60.67
All Others	35.76
<i>PRC:</i>	
Inner Mongolia Autonomous Region Native Produce and Animal By-Products Import and Export Corporation	57.13
Kunshan Foreign Trading Co	49.60
Zhejiang Native Produce and Animal By-Products Import and Export Corp	25.88
High Hope International Group Jiangsu Foodstuffs Import and Export Corp	45.46
Shanghai Eswell Enterprise Co., Ltd	45.46
Anhui Native Produce Import and Export Corporation	45.46
Henan Native Produce Import and Export Corporation	45.46
PRC-Wide rate	183.80

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

We are issuing and publishing these results and this notice in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Dated: March 1, 2007.
David M. Spooner,
Assistant Secretary for Import Administration.
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DEPARTMENT OF COMMERCE
International Trade Administration
(A-533-810)

Notice of Preliminary Results of Antidumping Duty Administrative Review, Intent to Rescind and Partial Rescission of Antidumping Duty Administrative Review: Stainless Steel Bar from India

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

SUMMARY: The Department of Commerce is conducting an administrative review of the antidumping duty order on stainless steel bar from India. The period of review is February 1, 2005, through January 31, 2006. This review covers imports of stainless steel bar from eight producers/exporters.

We preliminarily find that sales of the subject merchandise have been made below normal value. In addition, based on the preliminary results for the respondents selected for individual review, we have preliminarily determined a weighted-average margin for those companies for which a review was requested, but that were not selected for individual review.

If these preliminary results are adopted in our final results, we will instruct U.S. Customs and Border Protection to assess antidumping duties

on appropriate entries. Interested parties are invited to comment on these preliminary results. We will issue the final results no later than 120 days from the date of publication of this notice.

EFFECTIVE DATE: March 7, 2007.

FOR FURTHER INFORMATION CONTACT:

Scott Holland or Brandon Farlander, AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington DC 20230; telephone (202) 482-1279 or (202) 482-0182, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 21, 1995, the Department of Commerce (the "Department") published in the **Federal Register** the antidumping duty order on stainless steel bar ("SSB") from India. See *Antidumping Duty Orders: Stainless Steel Bar from Brazil, India and Japan*, 60 FR 9661 (February 21, 1995). On February 1, 2006, the Department published a notice in the **Federal Register** providing an opportunity for interested parties to request an administrative review of the antidumping duty order on SSB from India for the period of review ("POR"), February 1, 2005, through January 31, 2006. See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 71 FR 5239 (February 1, 2006).

On February 4, 2006, we received a timely request for review from Isibars Limited ("Isibars"). On February 28, 2005, Carpenter Technology Corporation, Crucible Specialty Metals, a division of Crucible Materials Corporation, Electralloy Company, North American Stainless, Universal Stainless, and Valbruna Slater Stainless (collectively, the "petitioners") requested an administrative review of 9 companies: the Viraj Group, including but necessarily limited to Viraj Alloys, Ltd. ("VAL"), Viraj Forgings, Ltd. ("VFL"), Viraj Impoexpo, Ltd. ("VIL"), Viraj Smelting, Viraj Profiles, and VSL Wires, Ltd.;¹ Akai Asian ("Akai"); Atlas Stainless ("Atlas"); Bhansali Bright Bars Pvt. Ltd. ("Bhansali"); Grand Foundry, Ltd. ("Grand Foundry"); Meltroll Engineering Pvt. Ltd. ("Meltroll"); Sindia Steels Limited ("Sindia"); Snowdrop Trading Pvt. Ltd. ("Snowdrop"); and Venus Wire Industries Pvt. Ltd. ("Venus"). On February 28, 2006, we received timely

review requests from Facor Steels, Ltd. ("Facor"), and Mukand Ltd. ("Mukand").

On April 5, 2006, in accordance with section 751(a) of the Tariff Act of 1930, as amended ("the Act"), we initiated an administrative review on Akai Asian, Atlas, Bhansali, Facor, Grand Foundry, Isibars, Meltroll, Mukand, Sindia, Snowdrop, Venus, and conditionally initiated an administrative review with respect to Viraj Alloys, Ltd., Viraj Impoexpo, Ltd., Viraj Forgings, Ltd., Viraj Smelting, Viraj Profiles, and VSL Wires, Ltd., (collectively, the "Viraj entities"). See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Deferral of Administrative Reviews*, 71 FR 17077 (April 5, 2006) ("Initiation Notice"). For further discussion of the Department's treatment of the Viraj entities in this administrative review, please see the "Partial Rescission of Review" section of this notice.

In April 2006, we requested information concerning the quantity and value of sales to the United States from the 12 producers/exporters listed in the *Initiation Notice*. The Department received responses from all of the exporters/producers in April and May of 2006. Akai, Atlas, and Meltroll notified the Department that they had no shipments of the subject merchandise to the United States during the POR.

On June 7, 2006, the Department determined that it was not practicable to make individual antidumping duty findings for each of the 12 companies involved in this administrative review. Therefore, we selected Venus and Bhansali (collectively, "the respondents") for individual reviews. See Memorandum from Scott Holland to Susan H. Kuhbach, Senior Office Director, "*Stainless Steel Bar from India: Respondent Selection*," dated June 7, 2006, ("*Respondent Selection Memorandum*") which is on file in the Central Records Unit ("CRU") in room B-099 of the main Department building. For further discussion see the "Respondent Selection" section below.

On June 8, 2006, the Department issued antidumping duty questionnaires to the respondents. At that time, we instructed each of the respondents to respond to the cost section of the questionnaire because we had disregarded certain below-cost sales in the most recently completed review in which the companies participated. See *Stainless Steel Bar from India; Final Results of Antidumping Duty Administrative Review and New Shipper Review*, 64 FR 13771 (March 22, 1999) (Bhansali); see also *Stainless Steel Bar from India; Final Results of*

Antidumping Duty Administrative Review, 68 FR 47543 (August 11, 2003) (Venus).

The respondents submitted their initial responses to the antidumping questionnaire from July 2006 through August 2006. After analyzing these responses, we issued supplemental questionnaires to the respondents to clarify or correct information contained in the initial questionnaire responses. We received timely responses to these questionnaires. The petitioners submitted comments on the questionnaire responses in August, September and October 2006.

On October 20, 2006, the Department found that, due to the complexity of the issues in this case, including affiliation and cost of production, and outstanding supplemental responses, it was not practicable to complete this review within the time period prescribed. Accordingly, we extended the time limit for completing the preliminary results of this review to no later than February 28, 2007, in accordance with section 751(a)(3)(A) of the Act. See *Stainless Steel Bar from India: Extension of Time Limit for Preliminary Results in Antidumping Duty Administrative Review*, 71 FR 61958 (October 20, 2006).

In January 2007, we requested comments from interested parties regarding the proper hierarchical order of one the model matching characteristics as described in the "Fair Value Comparisons" section, below. On February 12, 2007, we received comments from petitioners. We received no other comments.

Scope of the Order

Imports covered by the order are shipments of SSB. SSB means articles of stainless steel in straight lengths that have been either hot-rolled, forged, turned, cold-drawn, cold-rolled or otherwise cold-finished, or ground, having a uniform solid cross section along their whole length in the shape of circles, segments of circles, ovals, rectangles (including squares), triangles, hexagons, octagons, or other convex polygons. SSB includes cold-finished SSBs that are turned or ground in straight lengths, whether produced from hot-rolled bar or from straightened and cut rod or wire, and reinforcing bars that have indentations, ribs, grooves, or other deformations produced during the rolling process.

Except as specified above, the term does not include stainless steel semi-finished products, cut-to-length flat-rolled products (*i.e.*, cut-to-length rolled products which if less than 4.75 mm in thickness have a width measuring at least 10 times the

¹ For this **Federal Register** notice, we use the terms "Viraj," "the Viraj Group" and "the Viraj entities" interchangeably.

thickness, or if 4.75 mm or more in thickness having a width which exceeds 150 mm and measures at least twice the thickness), wire (*i.e.*, cold-formed products in coils, of any uniform solid cross section along their whole length, which do not conform to the definition of flat-rolled products), and angles, shapes, and sections.

The SSB subject to these reviews is currently classifiable under subheadings 7222.11.00.05, 7222.11.00.50, 7222.19.00.05, 7222.19.00.50, 7222.20.00.05, 7222.20.00.45, 7222.20.00.75, and 7222.30.00.00 of the *Harmonized Tariff Schedule of the United States* (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of the order is dispositive.

On May 23, 2005, the Department issued a final scope ruling that SSB manufactured in the United Arab Emirates out of stainless steel wire rod from India is not subject to the scope of this order. See Memorandum from Team to Barbara E. Tillman, “*Antidumping Duty Orders on Stainless Steel Bar from India and Stainless Steel Wire Rod from India: Final Scope Ruling*,” dated May 23, 2005, which is on file in the CRU in room B-099 of the main Department building. See also *Notice of Scope Rulings*, 70 FR 55110 (September 20, 2005).

Selection of Respondents

Section 777A(c)(1) of the Act directs the Department to calculate individual dumping margins for each known exporter and producer of the subject merchandise. However, section 777A(c)(2) of the Act gives the Department the discretion, when faced with a large number of exporters/producers, to limit its examination to a reasonable number of such companies if it is not practicable to examine all companies. Where it is not practicable to examine all known exporters/producers of subject merchandise, this provision permits the Department to review either: (1) a sample of exporters, producers, or types of products that is statistically valid based on the information available at the time of selection, or (2) exporters and producers accounting for the largest volume of the subject merchandise that can reasonably be examined.

Responses to the Department’s information request were received in April through May 2006. After consideration of the data submitted, we selected the two largest exporters/producers of the subject merchandise, as explained in our *Respondent Selection Memorandum*.

Therefore, for those companies for which a review was requested, but which were not selected for individual review, the Department has determined a review-specific weighted-average margin. The review-specific average rate for these companies can be found in the “Preliminary Results of the Review” section below. This is distinguished from the “All Others” rate, which is the weighted-average margin calculated in the investigation and which continues to apply to all exporters and producers which have not participated in a review. See *Notice of Final Results of Antidumping Duty Administrative Review: Certain Softwood Lumber Products from Canada*, 70 FR 73437, 73440 (December 12, 2005) (“*Softwood Lumber Final Results*”).

Verification

As provided in section 782(i) of the Act, we intend to verify sales information submitted by Bhansali in these proceedings to be used in making our final results. Due to resource and time constraints facing the Department, we will not verify Venus in this proceeding.

Period of Review

The POR is February 1, 2005, through January 31, 2006.

Partial Rescission of Review

In the *Initiation Notice*, the Department stated that, although the Department revoked the order in part with respect to entries of the merchandise subject to the order produced and exported by Viraj (Viraj Alloys, Ltd., Viraj Impoexpo, Ltd., Viraj Forgings, Ltd.), the Department was conditionally initiating a review with respect to Viraj Alloys, Ltd., Viraj Impoexpo, Ltd., Viraj Forgings, Ltd., Viraj Smelting, Viraj Profiles, and VSL Wires, Ltd., pending further information from the requestor as to sales of subject merchandise not covered by the revocation.²

On April 6, 2006, the Department requested that, in light of the previous revocation determination, the petitioners clarify the specific producers or exporters for which they were seeking review and, for each company, whether they were requesting a review

as to merchandise produced by that company, or only merchandise exported by that company. Moreover, the Department indicated that absent adequate clarification, it intended to rescind the administrative review with respect to the Viraj Group. See Letter from Julie H. Santoboni, Program Manager, to the petitioners, dated April 6, 2006, which is on file in the CRU in room B-099 of the main Department building.

On April 7, 2006, the petitioners responded to the Department’s request for further information stating that they were seeking a review of any of the listed companies (*i.e.*, the Viraj Group) in their capacity as either a producer or exporter (or both, with the exception of VAL, VIL, and VFL) of merchandise subject to the order during the POR. Furthermore, the petitioners urged the Department to seek information as to whether the named companies shipped merchandise subject to the order to the United States during the POR. The petitioners also referred to the changes in operation among the various Viraj entities that the Department recognized in pre-revocation reviews.

Therefore, in light of the revocation and the petitioners’ request, we determined that it was appropriate to ascertain whether there were suspended entries of merchandise subject to the order during the POR from the Viraj entities. We examined shipment data obtained from U.S. Customs and Border Protection (“CBP”) and placed these data on the record on May 9, 2006. See Memorandum from Team to the File, “*U.S. Customs and Border Protection Data*,” dated May 9, 2006, which is on file in the CRU in room B-099 of the main Department building. Based on this information, we determined that there are no suspended entries of merchandise subject to the order involving any of the Viraj entities for the POR. See Memorandum from Susan Kuhbach, Office Director to Stephen J. Claeys, Deputy Assistant Secretary, “*2005–2006 Administrative Review of the Antidumping Duty Order on Stainless Steel Bar from India - Rescission of Review of the Viraj Group Companies*,” dated May 18, 2006, which is on file in the CRU in room B-099 of the main Department building. Accordingly, on May 24, 2006, the Department published in the **Federal Register** its intent to rescind the administrative review with respect to the Viraj entities. See *Stainless Steel Bar from India: Notice of Intent to Partially Rescind Antidumping Duty Administrative Review*, 71 FR 29916 (May 24, 2006).

²The Department revoked the order in part, with respect to entries of merchandise subject to the order produced and exported by “Viraj,” a collapsed entity. Viraj included Viraj Alloys, Ltd.; Viraj Impoexpo, Ltd.; and Viraj Forgings, Ltd. The revocation was effective February 1, 2003. See *Stainless Steel Bar From India: Final Results, Rescission of Antidumping Duty Administrative Review in Part, and Determination to Revoke in Part*, 69 FR 55409, 55410-11 (September 14, 2004).

We invited interested parties to comment on this notice. No comments were received. Therefore, the Department is rescinding the administrative review with respect to the Viraj entities and will issue appropriate appraisement instructions to CBP within 15 days of the publication of this notice in the **Federal Register**.

Intent to Rescind Administrative Review

Pursuant to 19 CFR 351.213(d)(3), the Department will rescind an administrative review with respect to a particular exporter or producer if it concludes that during the period of review there were “no entries, exports, or sales of the subject merchandise.” Accordingly, the Department requires that there be entries during the POR upon which to assess antidumping duties, to conduct an administrative review.

As noted in the “Background” section above, Akai, Atlas, and Meltroll each indicated that it had no shipments of subject merchandise to the United States during the POR. The Department examined CBP data to confirm whether these companies shipped subject merchandise during the POR. After reviewing the data, we confirmed that the CBP data showed no entries of subject merchandise to the United States from these companies during the POR. *See Memorandum from Team to the File, “Stainless Steel Bar from India: No Shipments During the Period of Review,”* dated May 26, 2006, which is on file in the CRU in room B-099 of the main Department building.

Therefore, in accordance with 19 CFR 351.213(d)(3), we are preliminarily rescinding the administrative review with respect to Akai, Atlas, and Meltroll.

Affiliation

On February 28, 2007, the Department determined that Venus and exporter Precision Metals are affiliated within the meaning of section 771(33) of the Act, and also that the two companies should be treated as a single entity for the purposes of this administrative review. Therefore, we preliminarily find that the companies should receive a single antidumping duty rate. *See Memorandum from Scott Holland to Susan H. Kuhbach, Senior Office Director, “Relationship of Venus Wire Industries Pvt., Ltd. and Precision Metals,”* dated February 28, 2007, which is on file in the CRU in room B-099 of the main Department building.

Fair Value Comparisons

To determine whether sales of SSB from India to the United States were made at less than NV, we compared export price (“EP”) to NV, as described in the “Export Price” and “Normal Value” sections of this notice.

In accordance with section 771(16) of the Act, we considered all products sold by the respondents in the comparison market covered by the description in the “Scope of the Order” section, above, to be foreign-like products for purposes of determining appropriate product comparisons to U.S. sales. In accordance with section 773(a)(1)(C)(ii) of the Act, in order to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, we compared the respondents’ volume of home market sales of the foreign-like product to the volumes of their U.S. sales of the subject merchandise. *See the “Normal Value” section, below, for further details.*

We compared U.S. sales to monthly weighted-average prices of contemporaneous sales made in the comparison market. Where there were no sales of identical merchandise in the comparison market made in the ordinary course of trade, we compared U.S. sales to sales of the most similar foreign like product made in the ordinary course of trade. Where there were no sales of identical or similar merchandise made in the ordinary course of trade in the comparison market, we compared U.S. sales to constructed value (“CV”). In making product comparisons, consistent with our determination in the original investigation, we matched foreign like products based on the physical characteristics reported by the respondent in the following order: type, grade, remelting process, finishing operation, shape, and size. *See Preliminary Determination of Sales at Less than Fair Value and Postponement of Final Determination: Stainless Steel Bar from India*, 59 FR 39733–35 (August 4, 1994); unchanged in the final.

In the Department’s standard questionnaire for these proceedings, all respondents are instructed to assign a unique code for each AISI grade of SSB sold in both the home and U.S. markets for matching purposes. There are 9 standard AISI grades listed in the questionnaire. Furthermore, respondents are instructed to assign a unique code for all additional AISI grades of SSB sold. In their initial responses to the Department’s questionnaire, the respondents in this review reported that during the POR, they made sales of several AISI grades

of SSB beyond the standard 9 AISI grades and correctly assigned a unique code for each additional grade.

On September 28, 2006, we received comments from the petitioners arguing that, because the respondents did not properly order the additional grades in a hierarchical manner, the Department’s model match program would select dissimilar grades of SSB instead of the most similar grades. Accordingly, the petitioners argued that the Department should itself assign the proper weight for these additional grades to ensure a proper hierarchical order for matching purposes. Moreover, the petitioners proposed their own hierarchical ordering of the grades.

These comments led the Department to reconsider the weights assigned to the reported AISI grades. After consulting with Department experts, we instructed the respondents to re-order the grade hierarchy in their responses to the Department’s supplemental questionnaires and we assigned new weight codes for each reported grade. The Department also requested comments regarding the proper hierarchical ordering. *See Letter from Brandon Farlander, Program Manager to Interested Parties, dated January 29, 2007, which is on file in the CRU in room B-099 of the main Department building.*

On February 12, 2007, we received comments from the petitioners regarding the proper order of one AISI grade. We did not receive comments from any other interested party. Therefore, for the preliminary results we are re-ordering the grade hierarchy and we are assigning new weight codes for each reported grade.

Date of Sale

Pursuant to 19 CFR 351.401(i), the date of sale is normally the date of invoice unless satisfactory evidence is presented that the material terms of sale, price and quantity, are established on some other date. In its initial questionnaire responses, Venus reported its sales using invoice date as the date of sale. However, on November 30, 2006, the company requested that it be allowed to use purchase order date as the date of sale for both its U.S. and home market sales. Venus reported that no changes in the terms of sale occurred between the purchase order and the invoice date.

In the U.S. market, Venus stated that all of its sales are made to order under contracts which can include a price adjustment factor reflecting market price changes for certain alloys used in the production of stainless steel bar. However, because the terms of the price

adjustment are set in advance, there are no changes to the material terms of sale negotiated by the parties involved in the transaction after the purchase order date. Therefore, we instructed Venus to use the purchase order date as the date of sale. *See Notice of Final Determination of Sales at Less Than Fair Value: Emulsion Styrene-Butadiene Rubber from Mexico*, 64 FR 14872, 14880 (March 29, 1999), for an explanation of our practice in these circumstances. Furthermore, we instructed Venus to report the gross unit price on the invoice (inclusive of any surcharges) in the sales listings.

Bhansali reported that the material terms of sale can change up until the date of the invoice. Therefore, we are using invoice date as the date of sale for Bhansali for both markets.

Export Price

For sales to the United States, we calculated EP, in accordance with section 772 of the Act. Section 772(a) of the Act defines EP as the price at which the subject merchandise is first sold before the date of importation by the exporter or producer outside the United States to an unaffiliated purchaser in the United States, or to an unaffiliated purchaser for exportation to the United States. We calculated EP for both Bhansali and Venus because the merchandise was sold prior to importation by the exporter or producer outside the United States to the first unaffiliated purchaser in the United States, and because constructed export price methodology was not otherwise warranted.

We made company-specific adjustments as follows:

(A) Bhansali

We based EP on the packed, delivered duty paid (“DDP”), cost, insurance, and freight (“CIF”), or cost and freight (“CFR”) price to unaffiliated purchasers in the United States. We made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act. These deductions included, where appropriate, freight incurred in transporting merchandise to the Indian port, domestic brokerage and handling, international freight, marine insurance, U.S. brokerage and handling, terminal handling charges and documentation fees. *See Memorandum from Team to the File, “Preliminary Results Calculation Memorandum for Bhansali Bright Bars Pvt. Ltd.”*, dated February 28, 2007, (“*Bhansali Preliminary Calculation Memorandum*”) which is on file in the CRU in room B-099 of the main Department building.

(B) Venus

We based EP on the packed, DDP, or CIF price to unaffiliated purchasers in the United States. We adjusted the reported gross unit price, where applicable, for billing adjustments. We made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act. These deductions included, where appropriate, freight incurred in transporting merchandise to the Indian port, domestic brokerage and handling, international freight, marine insurance, U.S. brokerage and handling, freight incurred in the United States, and U.S. customs duties. *See Memorandum from Team to the File, “Preliminary Results Calculation Memorandum for Venus Wire Industries Pvt. Ltd.”*, dated February 28, 2007, (“*Venus Preliminary Calculation Memorandum*”) which is on file in the CRU in room B-099 of the main Department building.

Duty Drawback

Bhansali and Venus claimed a duty drawback adjustment based on their participation in the Indian government’s Duty Entitlement Passbook Program. Such adjustments are permitted under section 772(c)(1)(B) of the Act.

The Department will grant a respondent’s claim for a duty drawback adjustment where the respondent has demonstrated that there is (1) a sufficient link between the import duty and the rebate, and (2) a sufficient amount of raw materials imported and used in the production of the final exported product. *See Rajinder Pipe Ltd. v. United States (Rajinder Pipes)*, 70 F. Supp. 2d 1350, 1358 (CIT 1999) (“*Rajinder Pipes*”). In *Rajinder Pipes*, the Court of International Trade upheld the Department’s decision to deny a respondent’s claim for duty drawback adjustments because there was not substantial evidence on the record to establish that part one of the Department’s test had been met. *See also Viraj Group, Ltd. v. United States*, 162 F. Supp. 2d 656 (CIT August 15, 2001); and *Stainless Steel Bar from India; Preliminary Results of Antidumping Duty Administrative Review, Notice of Partial Rescission of Administrative Review, and Notice of Intent to Revoke in Part*, 69 FR 10666, 10671 (March 8, 2004).

In this administrative review, Bhansali and Venus have failed to demonstrate that there is a link between the import duty paid and the rebate received, and that imported raw materials are used in the production of the final exported product. Therefore, because they have failed to meet the Department’s requirements, we are denying the respondents’ requests for a

duty drawback adjustment. *See Bhansali Preliminary Calculation Memorandum; see also Venus Preliminary Calculation Memorandum* for further details.

Normal Value

A. Home Market Viability

Section 773(a)(1) of the Act directs that NV be based on the price at which the foreign like product is sold in the home market, provided that the merchandise is sold in sufficient quantities (or value, if quantity is inappropriate) and that there is no particular market situation that prevents a proper comparison with the EP. The Act contemplates that quantities (or value) will normally be considered insufficient if they are less than five percent of the aggregate quantity (or value) of sales of the subject merchandise to the United States.

In order to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating NV, we compared each respondent’s volume of home market sales of the foreign like product to its volume of U.S. sales of the subject merchandise, in accordance with section 773(a)(1)(C) of the Act.

Bhansali and Venus reported that their home market sales of SSB during the POR were more than five percent of their sales of SSB to the United States. Therefore, Bhansali’s and Venus’ home markets were viable for purposes of calculating NV. Accordingly, Bhansali and Venus reported their home market sales.

To derive NV for the respondents, we made the adjustments detailed in the “Calculation of Normal Value Based on Comparison Market Prices” and “Calculation of Normal Value Based on Constructed Value” sections, below.

B. Sales to Affiliated Customers

Bhansali made one sale in the home market to an affiliated customer. To test whether this sale was made at arm’s length, we compared the starting price of the sale to the affiliated customer to those of unaffiliated customers, net of all movement charges, direct and indirect selling expenses, discounts, and packing. If the price to the affiliated party was, on average, within a range of 98 to 102 percent of the price of the same or comparable merchandise to the unaffiliated parties, we determined that the sale made to the affiliated party was at arm’s length. *See Antidumping Proceedings: Affiliated Party Sales in the Ordinary Course of Trade*, 67 FR 69186 (November 15, 2002). In accordance with the Department’s

practice, we excluded the sale from our margin analysis because the sale was not made at arm's length.

C. Cost of Production Analysis

In the most recently completed segment of the proceeding at the time of initiation, the Department found that Bhansali and Venus made sales in the comparison market at prices below the cost of producing the merchandise and excluded such sales from the calculation of NV. Therefore, the Department determined that there were reasonable grounds to believe or suspect that SSB sales were made in the comparison market at prices below the cost of production ("COP") in this administrative review for Bhansali and Venus. See section 773(b)(2)(A)(ii) of the Act. As a result, the Department initiated a COP inquiry for these two respondents.

1. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated the COP based on the sum of the cost of materials and fabrication for the foreign like product, plus amounts for G&A expenses, financial expenses, and comparison market packing costs, where appropriate. We relied on the COP data submitted by Bhansali and Venus except where noted below:

2. Individual Company Adjustments

(A) Bhansali

1) We recalculated Bhansali's G&A and financial expense ratios, based on the relevant accounts identified in Bhansali's fiscal year 2005–06 trial balance.

2) Under section 773(f)(2) of the Act, we calculated the implied interest expenses incurred on Bhansali's zero-interest loans which were outstanding to shareholders and directors during fiscal year 2005–2006. We added the implied interest expenses to Bhansali's financial expenses in our calculation of its financial expense ratio. See Memorandum from Joe Welton to Neal Halper, Director Office of Accounting, "Cost of Production and Constructed Value Adjustments for the Preliminary Results - Bhansali Bright Bars Pvt. Ltd.," dated February 28, 2007, which is on file in the CRU in room B-099 of the main Department building.

(B) Venus

1) For Venus and Precision Metals, we increased the direct material costs by the unreconciled difference between the raw material purchase prices incorporated in the reported costs of production and the related raw material purchase prices which reconcile to the

companies' respective accounting systems.

2) We recalculated Venus' and Precision Metals' G&A and financial expense ratios, based on the relevant accounts identified in their respective fiscal year 2005–06 trial balances. See Memorandum from Joe Welton to Neal Halper, Director Office of Accounting, "Cost of Production and Constructed Value Adjustments for the Preliminary Results - Venus Wire Industries Pvt. Ltd.," dated February 28, 2007, which is on file in the CRU in room B-099 of the main Department building.

3. Results of the COP Test

Pursuant to section 773(b)(2)(C) of the Act, where less than 20 percent of a respondent's sales of a given product were at prices less than the COP, we did not disregard any below-cost sales of that product because we determined that the below-cost sales were not made in substantial quantities.

Where 20 percent or more of a respondent's sales of a given product during the POR were at prices less than the COP, we determined such sales to have been made in substantial quantities within an extended period of time in accordance with section 773(b)(2)(B) of the Act. Because we compared prices to the POR average COP, we also determined that such sales were not made at prices which would permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(2)(D) of the Act. Therefore, we disregarded the below-cost sales.

For Bhansali and Venus, we found that more than 20 percent of the comparison market sales of SSB within an extended period of time were made at prices less than the COP. Further, the prices at which the merchandise under review was sold did not provide for the recovery of costs within a reasonable period of time. Therefore, we disregarded these below-cost sales and used the remaining sales as the basis for determining NV, in accordance with section 773(b)(1) of the Act. For those U.S. sales of SSB for which there were no useable comparison market sales in the ordinary course of trade, we compared EPs to the CV in accordance with section 773(a)(4) of the Act. See "Calculation of Normal Value Based on Constructed Value" section, below.

C. Calculation of Normal Value Based on Home Market Prices

We calculated NV based on ex-factory or delivered prices to unaffiliated customers in the home market. We made adjustments for differences in packing in accordance with sections

773(a)(6)(A) and 773(a)(6)(B)(i) of the Act, and we deducted movement expenses consistent with section 773(a)(6)(B)(ii) of the Act. In addition, where applicable, we made adjustments for differences in cost attributable to differences in physical characteristics of the merchandise pursuant to section 773(a)(6)(C)(ii) of the Act, as well as for differences in circumstances of sale ("COS") in accordance with section 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410. We also made adjustments, in accordance with 19 CFR 351.410(e), for indirect selling expenses incurred on comparison market or U.S. sales where commissions were granted on sales in one market but not in the other (the "commission offset"). Specifically, where commissions were granted in the U.S. market but not in the comparison market, we made a downward adjustment to NV for the lesser of (1) the amount of the commission paid in the U.S. market, or (2) the amount of indirect selling expenses incurred in the comparison market. If commissions were granted in the comparison market but not in the U.S. market, we made an upward adjustment to NV following the same methodology. Company-specific adjustments are described below.

(A) Bhansali

We based comparison market prices on the packed prices to unaffiliated purchasers in India. We adjusted the starting price by the amount of movement expenses: inland freight expenses from the plant to the customer. We made COS adjustments by deducting direct selling expenses incurred for home market sales (*i.e.*, credit expenses, bank charges and commissions) and adding U.S. direct selling expenses (*i.e.*, credit expenses, commissions, bank charges and bank interest expenses, fumigation charges and fees for duty drawback application). See *Bhansali Preliminary Calculation Memorandum*.

Bhansali reported billing adjustments in its home market sales listing. However, the information on the record shows that these adjustments are actually bad debt write-offs. Therefore, for the preliminary results, we have treated Bhansali's reported billing adjustments as indirect selling expenses. See *Bhansali Preliminary Calculation Memorandum*.

(B) Venus

Venus

We based comparison market prices on the packed prices to unaffiliated purchasers in India. We adjusted the starting price by the amount of billing

adjustments and movement expenses, including inland freight expenses from the plant to the customer.³ We made COS adjustments by deducting direct selling expenses incurred for home market sales (*i.e.*, credit expenses and commissions) and adding U.S. direct selling expenses (*i.e.*, credit expenses, commissions, bank charges and bank interest expenses, fumigation charges and certificate of origin fees). See *Venus Preliminary Calculation Memorandum*.

D. Level of Trade

Section 773(a)(1)(B)(i) of the Act states that, to the extent practicable, the Department will calculate NV based on sales at the same level of trade (“LOT”) as the EP. Sales are made at different LOTs if they are made at different marketing stages (or their equivalent). See 19 CFR 351.412(c)(2). Substantial differences in selling activities are a necessary, but not sufficient, condition for determining that there is a difference in the stages of marketing. *Id.*; see also *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate From South Africa*, 62 FR 61731, 61732 (November 19, 1997). In order to determine whether the comparison sales were at different stages in the marketing process than the U.S. sales, we reviewed the distribution system in each market (*i.e.*, the “chain of distribution”),⁴ including selling functions,⁵ class of customer (“customer category”), and the level of selling expenses for each type of sale.

Pursuant to section 773(a)(1)(B)(i) of the Act, in identifying levels of trade for EP and comparison market sales (*i.e.*, NV based on either comparison market or third country prices),⁶ we consider

³ Venus reported discounts in its home market sales listing. However, the information on the record indicates that these discounts are actually billing adjustments (*i.e.*, adjustments to price). Therefore, for the preliminary results, we have treated Venus’ reported discounts as billing adjustments and adjusted gross unit price accordingly. See *Venus Preliminary Calculation Memorandum*.

⁴ The marketing process in the United States and comparison market begins with the producer and extends to the sale to the final user or customer. The chain of distribution between the two may have many or few links, and the respondents’ sales occur somewhere along this chain. In performing this evaluation, we considered each respondent’s narrative response to properly determine where in the chain of distribution the sale occurs.

⁵ Selling functions associated with a particular chain of distribution help us to evaluate the level(s) of trade in a particular market. For purposes of these preliminary results, we have organized the common selling functions into four major categories: sales process and marketing support, freight and delivery, inventory and warehousing, and quality assurance/warranty services.

⁶ Where NV is based on CV, we determine the NV LOT based on the LOT of the sales from which we derive selling expenses, G&A and profit for CV, where possible.

the starting prices before any adjustments. When the Department is unable to match U.S. sales to sales of the foreign like product in the comparison market at the same LOT as the EP, the Department may compare the U.S. sale to sales at a different LOT in the comparison market. In comparing EP sales at a different LOT in the comparison market, where available data make it practicable, we make a LOT adjustment under section 773(a)(7)(A) of the Act.

Bhansali reported that it sells to end-users and trading companies in the home market, and to trading companies and distributors in the United States. Venus reported that it sells to end-users and distributors in the home market, and to end-users and trading companies in the United States. Bhansali and Venus reported the same level of trade and the same channel of distribution for sales in the United States and the home market, and neither company has requested a LOT adjustment.

We examined the information reported by Bhansali and Venus, and found that home market sales to all customer categories were identical with respect to sales process, freight services, warehouse/inventory maintenance, advertising activities, technical service, and warranty service. Accordingly, we preliminarily find that each company had only one level of trade for its home market sales. Bhansali’s and Venus’ EP selling activities differ from the home market selling activities only with respect to freight and delivery, and advertising. These differences are not substantial. Therefore, we find that the EP level of trade is similar to the home market LOT and a level-of-trade adjustment is not necessary. See section 773(a)(7)(A) of the Act.

Currency Conversion

We made currency conversions into U.S. dollars in accordance with section 773A(a) of the Act based on the exchange rates in effect on the dates of the U.S. sales as reported by the Federal Reserve Bank.

Preliminary Results of the Review

For the firms listed below, we find that the following percentage margins exist for the period February 1, 2005, through January 31, 2006:

Exporter/Manufacturer	Margin
Bhansali Bright Bars Pvt. Ltd.	2.10
Venus Wire Industries Pvt. Ltd. ...	0.03 (<i>de minimis</i>)

Review-Specific Average Rate Applicable To The Following Companies:

Isibars Limited, Grand Foundry, Ltd., Sindia Steels Limited, Snowdrop Trading Pvt., Ltd. Facor Steels, Ltd., Mukand Ltd.	2.10
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Public Comment

Pursuant to 19 CFR 351.310(c), any interested party may request a hearing within 30 days of publication of this notice. Any hearing, if requested, will be held 42 days after the publication of this notice, or the first workday thereafter. Issues raised in the hearing will be limited to those raised in the case and rebuttal briefs. Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs within 30 days of the date of publication of this notice. Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than 35 days after the date of publication of this notice. See 19 CFR 351.309(d). Parties who submit case briefs or rebuttal briefs in this proceeding are requested to submit with each argument: 1) a statement of the issue; and 2) a brief summary of the argument with an electronic version included.

Assessment Rates

Upon completion of the administrative review, the Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries.

Pursuant to 19 CFR 351.212(b)(1), for all sales made by respondents for which they have reported the importer of record and the entered value of the U.S. sales, we have calculated importer-specific assessment rates based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total entered value of those sales.

Where the respondents did not report the entered value for U.S. sales, we have calculated importer-specific assessment rates for the merchandise in question by aggregating the dumping margins calculated for all U.S. sales to each importer and dividing this amount by the total quantity of those sales. To determine whether the duty assessment rates were *de minimis*, in accordance with the requirement set forth in 19 CFR 351.106(c)(2), we calculated importer-specific *ad valorem* rates based on the estimated entered value. Where the assessment rate is above *de minimis*, we will instruct CBP to assess duties on all entries of subject merchandise by that importer. Pursuant to 19 CFR 351.106(c)(2), we will instruct CBP to

liquidate without regard to antidumping duties any entries for which the assessment rate is *de minimis* (i.e., less than 0.50 percent).

The Department clarified its "automatic assessment" regulation on May 6, 2003. See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003). This clarification will apply to entries of subject merchandise during the POR produced by the respondent for which it did not know its merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. For a full discussion of this clarification, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

For those companies for which this review is rescinded, antidumping duties shall be assessed at rates equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, for consumption, in accordance with 19 CFR 351.212(c)(1)(i). For the companies requesting a review, but not selected for examination and calculation of individual rates, we will calculate a weighted-average assessment rate based on all importer-specific assessment rates excluding any which are *de minimis* or margins determined entirely on adverse facts available. See *Softwood Lumber Final Results*, at 70 FR 73442. The Department will issue appraisal instructions directly to CBP.

Cash Deposit Requirements

The following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of SSB from India entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(1) of the Act: 1) the cash deposit rate for the reviewed company will be the rate established in the final results of this administrative review (except no cash deposit will be required if its weighted-average margin is *de minimis*, i.e., less than 0.5 percent); 2) for the non-selected companies we will calculate a weighted-average cash deposit rate based on all the company-specific cash deposit rates, excluding *de minimis* margins or margins determined entirely on adverse facts available; 3) if the exporter is not a firm covered in this review, the previous review, or the

original investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and 4) if neither the exporter nor the manufacturer is a firm covered in this or any previous reviews, the cash deposit rate will be 12.45 percent, the "all others" rate established in the LTFV investigation. See *Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Bar from India*, 59 FR 66915 (December 28, 1994).

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these sections of review in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: February 23, 2007.

David M. Spooner,

Assistant Secretary for Import Administration.

[FR Doc. E7-4057 Filed 3-6-07; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-890]

Wooden Bedroom Furniture From the People's Republic of China; Initiation of New Shipper Reviews

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

EFFECTIVE DATE: March 7, 2007.

SUMMARY: The Department of Commerce (the "Department") received timely requests to conduct new shipper reviews of the antidumping duty order on wooden bedroom furniture from the People's Republic of China ("PRC"). In accordance with 19 CFR 351.214(d)(1), we are initiating new shipper reviews for Golden Well International (HK), Ltd. ("Golden Well") and its supplier Zhangzhou XYM Furniture Product Co., Ltd. (Zhangzhou XYM), and for Mei Jia Ju Furniture Industrial (Shenzhen) Co., Ltd. ("Mei Jia").

FOR FURTHER INFORMATION CONTACT: Paul Stolz or Eugene Degnan, AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4474 or (202) 482-0414, respectively.

SUPPLEMENTARY INFORMATION: The Department received timely requests from Golden Well and Mei Jia on January 24 and 22, 2007 respectively, pursuant to section 751(a)(2)(B) of the Tariff Act of 1930, as amended ("the Act"), and in accordance with 19 CFR 351.214(c), for new shipper reviews of the antidumping duty order on wooden bedroom furniture from the PRC. See *Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Wooden Bedroom Furniture from the People's Republic of China*, 70 FR 329 (January 4, 2005). Although Mei Jia submitted a timely request, on February 7, 2007, the Department rejected Mei Jia's request due to improper filing. However, because Mei Jia originally filed its request on January 22, 2007, but the request was not rejected by the Department until February 7, 2007, the Department allowed Mei Jia to refile its request by February 21, 2007. See the letter from the Department to Mei Jia dated February 7, 2007. On February 16, 2007, Mei Jia re-submitted its request for a new shipper review.

Pursuant to 19 CFR 351.214(b)(2)(i), 19 CFR 351.214(b)(2)(ii), 19 CFR 351.214(b)(2)(iii)(A), and 19 CFR 351.214(b)(2)(iii)(B), in their requests for new shipper reviews, Golden Well (as an exporter), Zhangzhou XYM, and Mei Jia (as a producing exporter) certified that they did not export wooden bedroom furniture to the United States during the period of investigation ("POI"); that since the initiation of the investigation they have never been affiliated with any company that exported subject merchandise to the United States during the POI; and that their export activities were not controlled by the central government of the PRC.

In accordance with 19 CFR 351.214(b)(2)(iv), Golden Well and Mei Jia submitted documentation establishing the following: (1) The date on which they first shipped wooden bedroom furniture for export to the United States; (2) the volume of their first shipment; and (3) the date of their first sale to an unaffiliated customer in the United States.