

and both Paramount and Snowdrop have the "All Others" rate of 162.14 percent, the Department determines that assigning a 210.00 percent rate will prevent non-responding firms from benefiting from their failure to respond to the Department's requests for information. Anything less than the current 210 percent cash deposit rate would effectively reward non-responding firms for not cooperating by not acting to the best of their ability.

Section 776(c) provides that, when the Department relies on secondary information rather than on information obtained in the course of an investigation or review, the Department shall, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal. The SAA states that the independent sources may include published price lists, official import statistics and customs data, and information obtained from interested parties during the particular investigation or review. See SAA at 870. The SAA clarifies that "corroborate" means that the Department will satisfy itself that the secondary information to be used has probative value. *Id.* To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used.

To assess the reliability of the petition margin, in accordance with section 776(c) of the Act, to the extent practicable, we examined the key elements of the calculations of export price and normal value upon which the petitioners based their margins for the petition. The U.S. prices in the petition were based on quotes to U.S. customers, most of which were obtained through market research. See Petition for the Imposition of Antidumping Duties, December 29, 1993. We were able to corroborate the U.S. prices in the petition, which were used as the basis of the 210 percent rate, by comparing these prices to publicly available information based on IM-145 import statistics from the U.S. International Trade Commission's Web site via dataweb for HTS numbers 7307215000 and 7307211000. We noted that the average reported Customs unit value for these products in calendar year 2001, which overlaps eleven months of the POR, was lower than those cited in the petition, which ranged from \$4.77 to \$47.32, thus corroborating the petition's U.S. price. The NVs in the petition were based on actual price quotations obtained through market research. The Department is not aware of other independent sources of information that would enable it to corroborate the

margin calculations in the petition further.

With respect to the relevance aspect of corroboration, however, the Department will consider information reasonably at its disposal as to whether there are circumstances that would render a margin not relevant. Where circumstances indicate that the selected margin is not appropriate as adverse facts available, the Department will disregard the margin and determine an appropriate margin. See *Fresh Cut Flowers from Mexico; Final Results of Antidumping Duty Administrative Review*, 61 FR 6812 (February 22, 1996), where the Department disregarded the highest dumping margin as best information available because the margin was based on another company's uncharacteristic business expense resulting in an unusually high margin. Further, in accordance with *F. Lii De Cecco Di Filippo Fara S. Martino S.p.A. v. United States*, 216 F. 3d 1027 (Fed. Cir. June 16, 2000), we also examine whether information on the record would support the selected rates as reasonable facts available.

We find that the 210 percent rate which we are using for these preliminary results does have probative value. We know that, during the POR, one of Snowdrop's suppliers was Panchmahal Steel Ltd. (Panchmahal), which currently has a 210 percent margin rate from the prior administrative review of this proceeding. Thus, this rate is relevant for Snowdrop because it was recently applied to Panchmahal in the prior administrative review, Panchmahal was a supplier to Snowdrop during the POR, and we are not aware of any circumstances that would render this rate inappropriate. Also, we note that four Indian manufacturers currently have a 210 percent margin under this order.

The implementing regulation for section 776 of the Act, codified at 19 CFR 351.308(d), states, "(t)he fact that corroboration may not be practicable in a given circumstance will not prevent the Secretary from applying an adverse inference as appropriate and using the secondary information in question." Additionally, the SAA at 870 states specifically that, where "corroboration may not be practicable in a given circumstance," the Department may nevertheless apply an adverse inference. The SAA at 869 emphasizes that the Department need not prove that the facts available are the best alternative information. Therefore, based on our efforts, described above, to corroborate information contained in the petition and in accordance with 776(c) of the

Act, which discusses facts available and corroboration, we consider the margins in the petition to be corroborated to the extent practicable for purposes of this preliminary determination (see *Certain Cut-to-Length Carbon Steel Plate from Mexico: Final Results of Antidumping Duty Administrative Review*, 64 FR 76, 84 (January 4, 1999)).

#### **Fair Value Comparisons: Echjay and Viraj**

To determine whether sales of subject merchandise were made in the United States at less than fair value, we compared the export price (EP) or constructed export price (CEP) to the NV, as described in the "Export Price and Constructed Export Price" and "Normal Value" sections of this notice. In accordance with section 777A(d)(1)(A)(i) of the Act, we calculated EPs and CEPs and compared these prices to weighted-average normal values or CVs, as appropriate.

#### **Export Price and Constructed Export Price**

In accordance with section 772 of the Act, we calculated either an EP or a CEP, depending on the nature of each sale. Section 772(a) of the Act defines EP as the price at which the subject merchandise is first sold by the foreign exporter or producer before the date of importation to an unaffiliated purchaser in the United States, or to an unaffiliated purchaser for exportation to the United States. We have preliminarily determined that all of Echjay's U.S. sales during the POR were EP sales, and that direct sales made by Viraj to unaffiliated U.S. customers were EP sales.

Section 772(b) of the Act defines CEP as the price at which the subject merchandise is first sold in the United States before or after the date of importation, by or for the account of the producer or exporter of the merchandise, or by a seller affiliated with the producer or exporter, to an unaffiliated purchaser, as adjusted under sections 772(c) and (d) of the Act. We have preliminarily considered sales Viraj made through Viraj USA, Inc. ("VUI") during the POR to be CEP sales.

We calculated EP and CEP, as appropriate, based on prices charged to the first unaffiliated customer in the United States. We used the date of invoice as the date of sale. We based EP on the packed CIF duty paid prices to the first unaffiliated purchasers in the United States. We made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Act, including: foreign inland freight, foreign