

requested detailed information and supporting documentation regarding the company's costs of production. (*See, Facts Available* section of this notice for a discussion as to why TISCO's Section D response was deemed unuseable for this preliminary determination.)

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. Where it is not practicable to examine all known producers/exporters of subject merchandise, section 777A(c)(2) of the Act permits the Department to investigate 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.

In the petition, the petitioners identified five producers of PC strand in India. We examined company-specific export data obtained from the U.S. Bureau of Customs and Border Protection (BCBP), the *Iron and Steel Works of the World* (14th ed.), and the Tata Group's websites which indicate that Tata SSL is the only producer of the subject merchandise within the Tata Group during the period of investigation (POI). Furthermore, we have no evidence suggesting that any other Indian company is exporting PC strand to the United States. *See* memorandum from Daniel O'Brien, International Trade Compliance Analyst, to Gary Taverman, Director, Office 5, Re: Selection of Respondents, dated April 4, 2003.

Period of Investigation

The POI is January 1, 2002, through December 31, 2002. This period corresponds to the four most recent fiscal quarters prior to the month of filing of the petition (*i.e.*, January, 2003) involving imports from a market economy, and is in accordance with our regulations. *See* 19 CFR 351.204(b)(1).

Scope of Investigation

For purposes of this investigation, PC strand is steel strand produced from wire of non-stainless, non-galvanized steel, which is suitable for use in prestressed concrete (both pretensioned and post-tensioned) applications. The product definition encompasses covered and uncovered strand and all types, grades, and diameters of PC strand.

The merchandise under investigation is currently classifiable under subheadings 7312.10.3010 and

7312.10.3012 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Facts Available

For the reasons discussed below, we determine that the use of adverse facts available is appropriate for the preliminary determination with respect to TISCO.

A. Use of Facts Available

Section 776(a)(2) of the Act provides that, if an interested party withholds information requested by the Department, fails to provide such information by the deadline or in the form or manner requested, significantly impedes a proceeding, or provides information which cannot be verified, the Department shall use, subject to section 782(d) and (e) of the Act, facts otherwise available in reaching the applicable determination. Section 782(d) of the Act provides that if the Department determines that a response to a request for information does not comply with the Department's request, the Department shall promptly inform the responding party and provide an opportunity to remedy the deficient submission. Section 782(e) of the Act further states that the Department shall not decline to consider submitted information if all of the following requirements are met: (1) The information is submitted by the established deadline; (2) the information can be verified; (3) the information is not so incomplete that it cannot serve as a reliable basis for reaching the applicable determination; (4) the interested party has demonstrated that it acted to the best of its ability; and (5) the information can be used without undue difficulties.

In this case, TISCO has failed to provide pertinent information requested by the Department necessary to properly calculate an antidumping margin for its preliminary determination. Specifically, TISCO failed to provide the requested detailed cost of manufacturing information for the steel wire rod input used to produce the subject merchandise. In addition, TISCO failed to provide the following requested information, all of which was pertinent to the Department's calculations: (1) A description of the steel making and wire rod production facilities' normal cost accounting system and how it is used to record, classify, aggregate, and allocate the costs incurred to produce different grades and dimension of products; (2) a

description of the level of product specificity over which the steel making and wire rod production facilities' cost accounting system normally captures production costs; (3) an explanation of how the product specific costs recorded in the steel making and wire rod production facilities' normal accounting system compare to the reported cost data; (4) a listing and description of all differences between costs computed under respondents normal steel making and wire rod production cost and financial accounting systems and the reported costs, including an explanation of why it was necessary to depart from respondent's normal accounting practices in order to compute the submitted COP and constructed value (CV) figures; (5) an indication of whether its steel making and wire rod facilities utilized inputs obtained from affiliated suppliers; (6) a description of the company's steel making and wire rod production facilities; and (7) a copy of either the audited financial statements for the year ended March 31, 2003, or if not yet available, a copy of the draft financial statements for the same period. The cost of steel wire rod constitutes a significant percentage of the total cost of manufacturing the subject merchandise, and detailed information on the steelmaking and rolling stages of the wire rod production process is critical for the Department to analyze adequately the reported cost information. As a result of TISCO's failure to provide the above requested information, the Department is unable to use the reported steel wire rod cost of manufacturing data. Thus, in reaching our preliminary determination, pursuant to sections 776(a)(2)(A), (B), and (C) of the Act, we have based TISCO's margin rate on facts available.

B. Application of Adverse Inferences for Facts Available

In applying facts otherwise available, section 776(b) of the Act provides that the Department may use an inference adverse to the interests of a party that has failed to cooperate by not acting to the best of its ability to comply with the Department's requests for information. *See, e.g., Notice of Final Determination of Sales at Less Than Fair Value and Final Negative Critical Circumstances: Carbon and Certain Alloy Steel Wire Rod from Brazil*, 67 FR 55792, 55794-96 (August 30, 2002). Adverse inferences are appropriate "to ensure that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully." *See* Statement of Administrative Action accompanying the Uruguay Round Agreements Act, H.R. Rep. No. 103-316,