

(September 2, 2003) (*Fay Candle's Date of Sale Memo*). With regard to Qingdao Kingking, its reported date of sale is based upon invoice date because both quantity and price may change up to the date of invoice. Thus, for Qingdao Kingking, the terms of the sales transaction only become fixed once the actual invoice is generated. After examining the sales documentation placed on the record by Qingdao Kingking, the Department preliminarily determines that invoice date is the most appropriate date of sale for all sales by Qingdao Kingking.

Fair Value Comparisons

To determine whether sales of the subject merchandise by Fay Candle and Qingdao Kingking were made at prices below normal value (NV), we compared the export price (EP) to the NV, as described in the "Export Price" and "Normal Value" sections of this notice, below.

Export Price

As discussed above in the "Treatment of Fay Candle and Its U.S. Importers, TIJID and Palm Beach" section, and as discussed in the *Affiliation Memo*, we have preliminarily determined that Fay Candle is not affiliated with its U.S. importers. Therefore, for Fay Candle and Qingdao Kingking, we based United States price on EP in accordance with section 772(a) of the Act, because the first sales to unaffiliated purchasers were made prior to importation, and CEP was not otherwise warranted by the facts on the record. We calculated EP based on packed prices from the exporter to the first unaffiliated purchaser in the United States. Where applicable, we deduct foreign inland freight, inland insurance, brokerage and handling expenses in the PRC, international freight, and marine insurance from the starting price (gross unit price) in accordance with section 772(c) of the Act.

Normal Value

For companies located in NME countries, section 773(c)(1) of the Act provides that the Department shall determine NV using a factors-of-production (FOP) methodology if (1) the merchandise is exported from an NME country, and (2) available information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 772(a) of the Act.

In every case conducted by the Department involving the PRC, the PRC has been treated as an NME country. Pursuant to section 771(18)(C)(i) of the Act, any determination that a foreign

country is an NME country shall remain in effect until revoked by the administering authority. None of the companies contested such treatment in these reviews. Accordingly, we have applied surrogate values to the factors of production to determine NV. See *Memorandum from Sebastian Wright through Sally Gannon to The File, Regarding Factor Values Memorandum in the Administrative Review of Petroleum Wax Candles from the People's Republic of China* (September 2, 2003) (*Factor Values Memo*). We calculated NV based on factors of production in accordance with section 773(c)(4) of the Act and section 351.408(c) of our regulations. Consistent with the original investigation and prior administrative reviews of this order, we determined that India (1) is comparable to the PRC in level of economic development, and (2) is a significant producer of comparable merchandise. See *Memorandum from Mark Hoadley through Sally Gannon to The File, Regarding Selection of Surrogate Country in the Administrative Review of Petroleum Wax Candles from the People's Republic of China* (August 13, 2003) (*Surrogate Country Memo*). We valued the factors of production using publicly available information from India. We added freight expenses to these values when necessary to make then delivered prices. All import data were contemporaneous with the POR; therefore, no adjustments for inflation were necessary. For factors valued using other sources, we have noted below when inflation adjustments were made. The calculations for the inflation adjustments can be found in the *Factor Values Memo*.

The Department calculated factors for approximately 100 inputs for this review. Except as noted below, we calculated all raw material inputs and packing using contemporaneous Indian import data obtained from the World Trade Atlas, which notes that its data was obtained from the Ministry of Commerce of India. Consistent with our policy, we excluded from this data imports into India from NME countries and countries providing their exporters with non-specific export subsidies. See, e.g., *Notice of Final Determination of Sales at Less Than Fair Value: Certain Automotive Replacement Glass Windshields From the People's Republic of China*, 67 FR 6482 (February 12, 2002). Also consistent with our policy, we excluded, in a few instances, import data that appeared to be aberrational. See, e.g., *Memorandum to Jeff May, Acting Assistant Secretary for Import Administration, from Barbara Tillman,*

Acting Deputy Assistant Secretary for Import Administration, Group III, Regarding Issues and Decision Memorandum for the Final Determination of the Antidumping Duty Investigation of Saccharin from the People's Republic of China, dated May 20, 2003, at Comment 2, page 5, for a discussion of this issue. Complete data for these calculations, the calculations themselves, and full citations to sources for all inputs, whether based on Indian import data or not, are attached to the *Factor Values Memo*. The *Factor Values Memo* also indicates which import data were excluded, for any of the reasons mentioned above, and the harmonized tariff schedule section selected for each input in collecting Indian import data.

We valued several factors—depending on the respondent—and particular freight items at the average of the market economy prices actually paid, because these were purchased from market economy countries, in market economy currencies, and in meaningful quantities.

Factors valued using sources other than Indian import data or market economy purchases:

- To value wax, we used the average Indian price for paraffin wax derived from rates published in *Chemical Weekly* for the period August 2001–July 2002, as found in petitioner's July 30, 2003, surrogate value submission, and Qingdao Kingking's August 1, 2003 surrogate value submission. Since the petitioner's and Qingdao Kingking's *Chemical Weekly* price quotes are contemporaneous with the POR, we did not adjust for inflation. This price was adjusted on a tax-exclusive basis to account for the Indian excise tax of 16 percent.

- To value diesel oil, we used Indian commercial prices for diesel fuel published in the first quarter 2001 edition of the International Energy Agency's *Energy Prices and Taxes*. This price for diesel oil was provided exclusive of Indian excise tax. Because this data was not contemporaneous with the POI, we adjusted the rate for inflation. See *Factor Values Memo*.

- To value electricity, we used the annual report of an Indian chemical producer, National Peroxide Ltd. Because this data was not contemporaneous with the POI, we adjusted the rate for inflation. See *Factor Values Memo*.

- Water was valued using the publicly available water tariff rates reported in the second *Utilities Data Book: Asian and Pacific Region*. This publication provides water tariff rates as of 1995–1996 for three areas in India: Chennai, Delhi and Mumbai. We