

have benefitted certain input products covered by the proceeding. Therefore, except for valuing steel and steel scrap (discussed further below), we have preliminarily determined not to exclude imports from countries beyond Indonesia, South Korea and Thailand.

### Steel Value

During the POR, Hangzhou imported a portion of its steel input (carbon steel wire rod (CSWR)) from the United Kingdom (UK) and it paid for this input in a market economy currency. The petitioner, in its submission dated June 20, 2003, argues that the Department should disregard the steel import prices reported by Hangzhou because there is "reason to believe or suspect" the steel benefitted from subsidies. In support of its claim, the petitioner points to the Department's finding in the sunset review of cut-to-length carbon steel plate from the UK, in which the Department found a subsidy rate of 12 percent for all UK producers and exporters (*see Calculation of Net Countervailable Subsidy: Cut-to-Length Carbon Steel Plate from the United Kingdom*, March 29, 2000). Consistent with the above-described practice of disregarding subsidized prices to value NME inputs, we have preliminarily determined not to use the market economy prices paid by Hangzhou for CSWR.

Instead, we have used the value of imports of CSWR into India, based on information from the *Monthly Foreign Trade Statistics of India—Imports (MSFTI)*. In computing this value, we have taken into account that the Department has made final affirmative countervailing duty determinations on steel products from numerous countries. Therefore, we have not included values for imports of CSWR into India from Belgium, Canada, France, Germany, and the UK (as well as South Korea and Thailand). Similarly, in valuing steel scrap, we have excluded values for imports into India from Belgium, France, Germany, South Africa and the UK (as well as Indonesia, South Korea and Thailand).

The remaining inputs are addressed below:

- To value the hydrochloric acid used in the production process, we used per kilogram values obtained from the Indian publication *Chemical Weekly*.
- To value other chemicals used in the production of HSLWs, we used per kilogram import values obtained from *MSFTI*. We also adjusted these values to account for freight costs incurred between the supplier and Hangzhou.
- To value plating, we used a March 14, 2003, price quote supplied by the

petitioner in its submission dated March 20, 2003, subsequently resubmitted as a public document.

- To value coal, we used a per kilogram value obtained from the *MFSTI*. We also made adjustments to account for freight costs incurred between the supplier and Hangzhou.
- To value electricity, we used the electricity price data from the Energy Data Directory and Yearbook (1999/2000) published by the Tata Energy Research Institute. We adjusted the value to reflect inflation using the electricity sector-specific inflation index published in the *Reserve Bank of India (RBI) Bulletin*.
- To value water, we used the *Second Water Utilities Data Book for the Asian and Pacific Region* published by the Asian Development Bank in 1997. We adjusted the value to reflect inflation using the wholesale price index (WPI) published by the International Monetary Fund (IMF).
- For labor, we used the regression-based wage rate for the PRC in "Expected Wages of Selected NME Countries," located on the Internet at <http://ia.ita.doc.gov.wages/corrected00wages/htm>.
- For factory overhead, selling, general, and administrative expenses (SG&A), and profit values, we used information from the September 12, 2002, *RBI Bulletin* report entitled "Combined Income, Value of Production, Expenditure and Appropriations Accounts of the Selected 1,927 Public Limited Companies (2000–2001)." From this information, we were able to determine factory overhead as a percentage of the total raw materials, labor and energy (ML&E) costs, SG&A as a percentage of ML&E plus overhead (*i.e.*, cost of manufacture), and the profit rate as a percentage of the cost of manufacture plus SG&A.
- For packing materials, we used the per kilogram values obtained from the *MFSTI*. Where necessary, we adjusted these values to reflect inflation using the WPI published by the IMF. We also made adjustments to account for freight costs incurred between the PRC supplier and Hangzhou.
- To value foreign brokerage and handling, we used information reported in the *New Shipper Review for Stainless Steel Wire Rod from India*, 66 FR 27629 (May 18, 2001). *See* Meltroll Engineering Pvt. Ltd.'s submission dated September 12, 1999. We adjusted this value to reflect inflation using the WPI published by the IMF.
- To value truck freight, we used the freight rates published in the Indian publication *Chemical Weekly*. We

obtained distances between cities from the following Web sites: <http://www.infreight.com>; <http://www.sitaindia.com/Packages/CityDistance.php>; <http://indiatravelinfo.com/distance.html>; and, <http://www.abcindia.com>.

- To value shipping freight, we used a rate reported in a July 14, 1997, letter from the Inland Waterways of India which was used in *Certain Helical Spring Lock Washers from the People's Republic of China; Final Results of the Antidumping Duty Administrative Review*, 67 FR 8520 (February 25, 2002) (HSLWs–7) and *Certain Helical Spring Lock Washers from the People's Republic of China; Final Results of the Antidumping Duty Administrative Review*, 67 FR 69717 (November 19, 2002) (HSLWs–8). We adjusted the rate to reflect inflation using the WPI published by the IMF.

For a complete description of the factor values used, *see* "Memorandum to File: Factor Values Used for the Preliminary Results of the Ninth Administrative Review," dated October 31, 2003 (Factors Memorandum), a public version of which is available in the Public File of the CRU.

### Revocation

The Department "may revoke, in whole or in part" an antidumping duty order upon completion of a review under section 751 of the Act. While Congress has not specified the procedures that the Department must follow in revoking an order, the Department has developed a procedure for revocation that is described in 19 CFR 351.222. This regulation requires, *inter alia*, that a company requesting revocation must submit the following: (1) A certification that the company has sold the subject merchandise at not less than NV in the current review period and that the company will not sell at less than NV in the future; (2) a certification that the company sold the subject merchandise in each of the three years forming the basis of the request in commercial quantities; and, (3) an agreement to reinstatement of the order if the Department concludes that the company, subsequent to the revocation, sold subject merchandise at less than NV. *See* 19 CFR 351.222(e)(1).

Pursuant to 19 CFR 351.222(e)(1), Hangzhou requested revocation of the antidumping duty order as it pertains to that company. According to 19 CFR 351.222(b)(2), upon receipt of such a request, the Department may revoke an order, in part, if it concludes that (1) the company in question has sold subject merchandise at not less than NV for a period of at least three consecutive