

Separate Rates

In our *Preliminary Determination*, we found that both responding companies, JMC and SFTEC, met the criteria for the application of separate, company-specific antidumping duty rates. We have not received any other information since the preliminary determination which would warrant reconsideration of our separate rates determination with respect to these companies. For a complete discussion of the Department's determination that the respondents are entitled to a separate rate, see the *Preliminary Determination*.

The PRC-Wide Rate

In the *Preliminary Determination*, we found that the use of adverse facts available (FA) for the PRC-wide rate was appropriate for other exporters in the PRC based on our presumption that those respondents who failed to demonstrate entitlement to a separate rate constitute a single enterprise under common control by the Chinese government. The PRC-wide rate applies to all entries of the merchandise under investigation except for entries from JMC and SFTEC.

Section 776(c) of the Act provides that, when the Department relies on secondary information in using facts otherwise available, it must, to the extent practicable, corroborate that information from independent sources that are reasonably at its disposal. At the preliminary determination, we corroborated the information contained in the petition regarding export price and normal value (NV). See Memorandum to Holly A. Kuga, Corroboration of Secondary Information, dated September 19, 2002 (*Preliminary Corroboration Memorandum*). In order to corroborate the petition information, we recalculated the petition margin to reflect new information placed on the record of the investigation after initiation and prior to the preliminary determination. *Id.*, at page 6. We received no comments regarding our application of total adverse FA to the PRC-wide entity or our corroboration of petition information. As a result, we have continued to apply an adverse FA rate to the PRC-wide entity. For further discussion, see *Preliminary Determination*.

For the *Preliminary Determination*, we derived overhead, selling, general, and administrative (SG&A) expenses, and profit ratios from the 1999–2000 combined income, value of production, expenditure and appropriation account for a sample of 1,914 public companies in India that were reported in the June 2001 *Reserve Bank of India Bulletin*.

Both JMC and SFTEC alleged that in the *Preliminary Determination*, the Department overstated SG&A expenses. After review, we agreed that the calculation of the SG&A ratio was in error. See Ministerial Error Allegations Memorandum. For the final determination, we recalculated the petition margin using the corrected SG&A ratio and corrected several other arithmetic errors. We also adjusted the surrogate value for electricity. As a result of these recalculations, the PRC-wide rate is, for the final determination, 75.5 percent *ad valorem*. See Memorandum to the File from the Team, Corroboration of Secondary Information, dated February 7, 2003.

Surrogate Country

For purposes of the final determination, we continue to find that India remains the appropriate surrogate country for the PRC. For further discussion and analysis regarding the surrogate country selection for the PRC, see the *Preliminary Determination*.

Verification

As provided in section 782(i) of the Act, we verified the information submitted by the respondents for use in our final determination. We used standard verification procedures including examination of relevant accounting and production records, and original source documents provided by the respondents. For changes from the *Preliminary Determination* as a result of verification, see the "Changes Since the Preliminary Determination" section below.

Changes Since the Preliminary Determination

Based on our findings at verification and on our analysis of the comments received, we have made adjustments to the calculation methodologies used in the preliminary determination. These adjustments are listed below and discussed in detail in the (1) Decision Memorandum, (2) Memorandum to the File, Surrogate Country Values Used for the Final Determination of the Antidumping Duty Investigation of Non-Malleable Cast Iron Pipe Fittings from the People's Republic of China, dated February 7, 2003, (Surrogate Country Values Memorandum) and (3) Memorandum to the File from the Team, Final Calculation of Antidumping Duty Investigation of Non-Malleable Cast Iron Pipe Fittings From the People's Republic of China for Shanghai Foreign Trade Enterprises Co., Ltd., dated February 7, 2003 (SFTEC's Final Calculation Memorandum), and Memorandum to the File from the

Team, Final Calculation of Antidumping Duty Investigation of Non-Malleable Cast Iron Pipe Fittings From the People's Republic of China for Jinan Meide Casting Co., Ltd., dated February 7, 2003 (JMC's Final Calculation Memorandum).

1. We corrected the SG&A and the plastic sheet surrogate value for JMC. See Ministerial Error Allegations Memorandum and JMC's Final Calculation Memorandum.
2. We corrected the SG&A and the wooden crates surrogate value for SFTEC. See Ministerial Error Allegations Memorandum and SFTEC's Final Calculation Memorandum.
3. We revised our calculation of freight costs for the factors of production to include the revised distances identified during verification. See JMC's Final Calculation Memorandum and SFTEC's Final Calculation Memorandum.
4. We adjusted the surrogate value for pig iron. See Decision Memorandum, at Comment 6.
5. We adjusted SFTEC's reported raw material consumption factors to reflect only the sales revenue received from scrap sales based on the surrogate value for cast iron scrap. See Decision Memorandum, at Comment 3, and SFTEC's Final Calculation Memorandum.
6. We adjusted the surrogate value for electricity. See Surrogate Country Values Memorandum.
7. As partial FA for JMC, we adjusted the conversion costs at the gray iron casting workshop to account for the difference between the highest product-specific yield loss and the average yield loss of all products in the gray iron casting workshop. See Decision Memorandum, at Comment 1, and JMC's Final Calculation Memorandum.
8. We have allowed JMC's offset for scrap recovered. See Decision Memorandum, at Comment 5, and JMC's Final Calculation Memorandum.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B)(ii) of the Act, we are directing the Customs Service to continue suspension liquidation of entries of subject merchandise from the PRC that are entered, or withdrawn from warehouse, for consumption on or after September 25, 2002 (the date of publication of the *Preliminary Determination* in the **Federal Register**). We will instruct the Customs Service to require a cash deposit or the posting of a bond equal to the weighted-average amount by which NV exceeds the U.S. price, as indicated in the chart below. These suspension-of-liquidation