

DEPARTMENT OF COMMERCE**International Trade Administration**

(A-533-843)

Notice of Final Determination of Sales at Less Than Fair Value, and Negative Determination of Critical Circumstances: Certain Lined Paper Products from India

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: August 8, 2006.

SUMMARY: We determine that imports of certain lined paper products ("CLPP") are being, or are likely to be, sold in the United States at less than fair value ("LTFV"), as provided in section 735 of the Tariff Act of 1930, as amended ("the Act"). The estimated margins of sales at LTFV are shown in the "Final Determination" section of this notice. Moreover, we determine that critical circumstances do not exist with regard to exports of CLPP from India. See the "Critical Circumstances" section below.

FOR FURTHER INFORMATION CONTACT:

Christopher Hargett, or Joy Zhang, AD/CVD Operations, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4161 or (202) 482-1168, respectively.

SUPPLEMENTARY INFORMATION:**Background**

On April 17, 2006, the Department of Commerce ("the Department") published the preliminary determination of sales at LTFV in the antidumping investigation of CLPP from India. See *Notice of Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Affirmative Preliminary Determination of Critical Circumstances in Part: Certain Lined Paper Products from India*, 71 FR 19706 (April 17, 2006) ("Preliminary Determination"). From May 19 through May 26, 2006, we verified the sales and cost questionnaire responses of Kejriwal Paper Ltd. ("Kejriwal"). We requested that parties comment on the *Preliminary Determination*.

We received comments from petitioner¹ and each of the respondents, Aero Exports ("Aero"), Kejriwal, and Navneet Publications (India) Ltd.

("Navneet"). On May 17, 2006, respondents, Aero, Kejriwal, and Navneet, requested a hearing to discuss issues addressed by the interested parties in their case or rebuttal briefs. The Department held the hearing on July 6, 2006. We did not receive any comments regarding the scope of the investigation.

Period of Investigation

The period of investigation is July 1, 2004, through June 30, 2005.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this investigation are addressed in the "Issues and Decision Memorandum" from Stephen J. Claeys, Deputy Assistant Secretary for Import Administration, to David M. Spooner, Assistant Secretary for Import Administration, dated July 31, 2006 ("Issues and Decision Memorandum"), which is adopted by this notice. A list of issues that parties have raised and to which we have responded, all of which are in the Decision Memorandum, is attached to this notice as Appendix II. Parties can find a complete discussion of all issues raised in this investigation and the corresponding recommendations in this public memorandum, which is on file in the Central Records Unit ("CRU"), room B-099 of the main Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the world wide web at <http://ia.ita.doc.gov/frn>. The paper copy and electronic version of the Decision Memorandum are identical in content.

Scope of Investigation

For scope information, see Appendix I.

Changes Since the Preliminary Determination

Based on our analysis of the comments received and our findings at verification, we have made certain changes to the margin calculations for the only company for which we are calculating a margin, Kejriwal. For a discussion of these changes, see the "Analysis Memorandum for Kejriwal Paper" from Christopher Hargett, International Trade Compliance Analyst, to James Terpstra, Program Manager, Office of AD/CVD Operations, Office 3, dated July 31, 2006.

Verification

As provided in section 782(i) of the Act, we verified the sales and cost information submitted by Kejriwal for

use in our final determination from May 19 through May 26, 2006. We used standard verification procedures including an examination of relevant accounting and production records, and original source documents provided by the respondent.

Calculation of Normal Value Based on Constructed Value

In accordance with section 773(a)(4) of the Act, we continue to base Kejriwal's normal value ("NV") on constructed value ("CV"). In accordance with section 773(e) of the Act, we calculated CV based on the sum of Kejriwal's cost of materials and fabrication for the foreign like product, plus amounts for selling, general, and administrative expenses ("SG&A"), profit, and packing costs for exportation to the United States. For changes made to Kejriwal's CV since the preliminary determination, see the "Constructed Value Calculation Adjustments for the Final Determination – Kejriwal Paper Limited" memorandum from Laurens van Houten, Senior Accountant, through Peter S. Scholl, Lead Accountant, to Neal M. Halper, Director, Office of Accounting, dated July 31, 2006.

Adverse Facts Available

Section 776(a)(2) of the Act provides that, if an interested party withholds information requested by the administering authority, fails to provide such information by the deadlines for submission of the information and in the form or manner requested, subject to subsections (c)(1) and (e) of section 782 of the Act, significantly impedes a proceeding under this title, or provides such information but the information cannot be verified as provided in section 782(i), the administering authority shall use, subject to section 782(d) of the Act, facts otherwise available in reaching the applicable determination. Section 782(d) of the Act provides that, if the administering authority determines that a response to a request for information does not comply with the request, the administering authority 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

¹ The petitioner in this investigation is the Association of American School Paper Suppliers and its individual members (MeadWestvaco Corporation, Norcom, Inc., and Top Flight, Inc.) ("petitioner").

acted to the best of its ability; and (5) the information can be used without undue difficulties.

As discussed in the *Preliminary Determination*, the cost of production ("COP") questionnaire responses submitted by Aero and Navneet were not useable for purposes of calculating accurate LTFV margins. Since the issuance of the initial questionnaire to Aero and Navneet, the Department granted both parties numerous extensions up to and including the submission of the third supplemental questionnaire responses, which were received on March 29, 2006. Over a five-month period, the Department carefully and repeatedly identified the numerous significant deficiencies and errors where we needed more complete information in order to understand the reported information. Throughout this process, there was a consistent pattern of non-responsiveness and confusing, incomplete, and inconsistent information provided by Aero and Navneet.

As discussed in the *Preliminary Determination*, the Department provided several opportunities for Aero to submit information critical to the Department's analysis, and the Department extended deadlines to allow Aero the time to respond completely to the Department's questionnaire and supplemental questionnaires. The Department issued three sets of supplemental questionnaires, repeatedly asking the same detailed questions that remained unanswered from the previous supplemental questionnaire. After the issuance of the three supplemental questionnaires, the Department is left with critical information absent from the record. In addition, questions still remain unanswered as to the accuracy and reliability of the reported cost information. Because Aero withheld requested information, failed to provide such information by the deadlines in the form and manner required, impeded this investigation, and reported information that could not be verified, the Department may resort to facts otherwise available, in reaching its final determination, pursuant to sections 776(a)(2)(A),(B),(C) and (D) of the Act. Due to the fact that most of the reasons regarding the use of facts available for Aero are considered business proprietary information, please see the Memorandum from Sheikh M. Hannan to Neal Halper entitled "Use of Adverse Facts Available for the Final Determination – Aero Exports," dated July 31, 2006, on file in the CRU.

As discussed in the *Preliminary Determination*, Navneet failed to provide: 1) various reconciliation

schedules (*i.e.*, the overall cost reconciliation, the overall quantity reconciliation, and the overall purchased paper reconciliation) and explanations of reconciling amounts; 2) a consistent explanation for its product cost calculation methodology that demonstrates the link between its reported costs and its normal books and records; and 3) complete supporting documentation for the matching product control number ("CONNUM") cost build-up schedules. Without this information, the Department is unable to determine whether Navneet accounted for all its production costs relating to the merchandise under investigation. Therefore, the Department was unable to rely on Navneet's submitted costs. Moreover, based on the statements made by Navneet and the exhibits provided in its questionnaire responses, it is apparent that Navneet departed from the product costs recorded in its normal books and records when calculating its reported product costs to the Department. Thus, the costs the Department should be using, the per-unit costs from its normal books and records, are not on the record of this proceeding. Section 773(f)(1)(A) of the Act requires that companies normally use their normal books and records in reporting costs for an antidumping investigation. Finally, we note that Navneet failed to provide the POI job order worksheet reconciliation, which the Department requested to determine whether Navneet relied on its normal books and records and whether its reported costs reconciled to those records. *See* the Issues and Decisions Memorandum, at Comment 14.

As a result of the numerous, serious deficiencies, we were unable to adequately determine whether the cost information contained in Aero and Navneet's responses reasonably and accurately reflects the costs incurred by these companies to produce the subject merchandise. Without this information, we cannot accurately calculate LTFV margins for these companies.

Therefore we continue to find that, by failing to provide the required information in the manner requested, Aero and Navneet did not act to the best of their ability. Consequently, the Department has determined that, in selecting from among the facts otherwise available, an adverse inference is warranted. Thus, the Department finds that the use of adverse facts available ("AFA") is warranted under section 776(a)(2) of the Act.

Corroboration of Information

Section 776(c) of the Act requires the Department to corroborate, to the extent

practicable, secondary information used as facts available. Secondary information is defined as "information derived from the petition that gave rise to the investigation or review, the final determination concerning the subject merchandise, or any previous review under section 751 concerning the subject merchandise." *See* 19 CFR 351.308(c) and (d); *see also* the Statement of Administrative Action (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. *See* the SAA at 870. The SAA also states that independent sources used to corroborate such evidence may include, for example, published price lists, official import statistics and customs data, and information obtained from interested parties during the particular investigation. *Id.* To corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used. In order to determine the probative value of the margins in the petition for use as AFA for purposes of this final determination, we relied on our analysis from the preliminary determination. *See Preliminary Determination*, 71 FR at 19710. *See also*, "Preliminary Determination in the Antidumping Duty Investigation of Certain Lined Paper Products ("CLPP") from India: Selection of Total Adverse Facts–Available Rate" from the Team to James Terpstra, Program Manager Office III, dated April 7, 2006. Based on this analysis, we determined that the price and cost information contained in the petition do not have probative value. Therefore, we have relied on the information reported by Kejriwal which has probative value, as confirmed by verification. Accordingly, we find that the second highest individual margin calculated in this proceeding based on the data reported by a respondent, Kejriwal, in this investigation, 23.17 percent, is corroborated within the meaning of section 776(c) of the Act. *See* Issues and Decision Memorandum, at Comment 15.

All Others Rate

Section 735(c)(5)(A) of the Act provides that, the estimated "All Others" rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero and *de minimis* margins, and any margins determined entirely under section 776 of the Act. Kejriwal is the only respondent in this investigation for

which the Department has calculated a company-specific rate. Therefore, for purposes of determining the "All Others" rate and pursuant to section 735(c)(5)(A) of the Act, we are using the dumping margin calculated for Kejriwal, as referenced in the "Final Determination" section below.

Critical Circumstances

In our *Preliminary Determination*, we found that critical circumstances did not exist for Kejriwal or any company subject to the "All Others" rate. See *Preliminary Determination*, 71 FR at 19712. However, we found that critical circumstances did exist for Aero and Navneet. *Id.* We received no comments on our critical circumstances determination. Considering the changes made to Kejriwal's margin calculation, we continue to find that critical circumstances do not exist for imports of subject merchandise for Kejriwal or any company subject to the "All Others" rate, as there is no evidence that importers knew, or should have known, that the exporter was selling subject merchandise at LTFV. See 735(a)(3)(A)(ii) of the Act.

To determine whether the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the subject merchandise at less than its fair value, in accordance with section 733(e)(1)(A)(ii) of the Act, the Department normally considers margins of 25 percent or more for export price sales, or 15 percent or more for constructed export price transactions, sufficient to impute knowledge of dumping. We find that critical circumstances does not exist for Kejriwal or any company subject to the "All Others" rate. In addition, we find that critical circumstances does not exist for both Aero and Navneet, because the assigned AFA rate of 23.17 percent is less than the 25 percent sufficient to impute knowledge of dumping. See *Notice of Final Determination of Sales at Less Than Fair Value and Negative Final Determination of Critical Circumstances: Certain Color Television Receivers From the People's Republic of China*, 69 FR 20594 (April 16, 2004).

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we are directing U.S. Customs and Border Protection ("CBP") to continue to suspend liquidation of all imports of subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after April 17, 2006,

the date of publication of the preliminary determination in the **Federal Register**. Because we did not find critical circumstances in this final determination, we will instruct CBP to terminate suspension of liquidation, and release any cash deposits or bonds, on imports during the 90 day period prior to the date of publication of the *Preliminary Determination*. We will instruct CBP to continue to require a cash deposit or the posting of a bond for all companies based on the estimated weighted-average dumping margins shown below. The suspension of liquidation instructions will remain in effect until further notice.

Final Determination

We determine that the following weighted-average dumping margins exist for the period July 1, 2004, through June 30, 2005:

Manufacturer/Exporter	Weighted Average Margin (percent)
Aero Exports	23.17
Kejriwal Paper Limited ..	3.91
Navneet Publications (India) Ltd.	23.17
All Others	3.91

In accordance with section 735(c)(5)(A) of the Act, we have based the "All Others" rate on the weighted average of the dumping margins calculated for the exporter/manufacturer investigated in this proceeding. The "All Others" rate is calculated exclusive of all de minimis margins and margins based entirely on AFA.

ITC Notification

In accordance with section 735(d) of the Act, we have notified the ITC of our final determination. As our final determination is affirmative, the ITC will determine within 45 days whether these imports are causing material injury, or threat of material injury, to an industry in the United States. If the ITC determines that material injury or threat of injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing CBP to assess antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Return or Destruction of Proprietary Information

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder

to parties subject to administrative protective order ("APO") of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this determination and notice in accordance with sections 735(d) and 777(i) of the Act.

Dated: July 31, 2006.

David M. Spooner,

Assistant Secretary for Import Administration.

Appendix I

Scope of the Investigation

The scope of this investigation includes certain lined paper products, typically school supplies (for purposes of this scope definition, the actual use of or labeling these products as school supplies or non-school supplies is not a defining characteristic) composed of or including paper that incorporates straight horizontal and/or vertical lines on ten or more paper sheets (there shall be no minimum page requirement for looseleaf filler paper) including but not limited to such products as single- and multi-subject notebooks, composition books, wireless notebooks, looseleaf or glued filler paper, graph paper, and laboratory notebooks, and with the smaller dimension of the paper measuring 6 inches to 15 inches (inclusive) and the larger dimension of the paper measuring 8-3/4 inches to 15 inches (inclusive). Page dimensions are measured size (not advertised, stated, or "tear-out" size), and are measured as they appear in the product (*i.e.*, stitched and folded pages in a notebook are measured by the size of the page as it appears in the notebook page, not the size of the unfolded paper). However, for measurement purposes, pages with tapered or rounded edges shall be measured at their longest and widest points. Subject lined paper products may be loose, packaged or bound using any binding method (other than case bound through the inclusion of binders board, a spine strip, and cover wrap). Subject merchandise may or may not contain any combination of a front cover, a rear cover, and/or backing of any composition, regardless of the inclusion of images or graphics on the cover, backing, or paper. Subject merchandise is within the scope of this investigation whether or not the lined

paper and/or cover are hole punched, drilled, perforated, and/or reinforced. Subject merchandise may contain accessory or informational items including but not limited to pockets, tabs, dividers, closure devices, index cards, stencils, protractors, writing implements, reference materials such as mathematical tables, or printed items such as sticker sheets or miniature calendars, if such items are physically incorporated, included with, or attached to the product, cover and/or backing thereto.

Specifically excluded from the scope of this investigation are:

- unlined copy machine paper;
- writing pads with a backing (including but not limited to products commonly known as “tablets,” “note pads,” “legal pads,” and “quadrille pads”), provided that they do not have a front cover (whether permanent or removable). This exclusion does not apply to such writing pads if they consist of hole-punched or drilled filler paper;
- three-ring or multiple-ring binders, or notebook organizers incorporating such a ring binder provided that they do not include subject paper;
- index cards;
- printed books and other books that are case bound through the inclusion of binders board, a spine strip, and cover wrap;
- newspapers;
- pictures and photographs;
- desk and wall calendars and organizers (including but not limited to such products generally known as “office planners,” “time books,” and “appointment books”);
- telephone logs;
- address books;
- columnar pads & tablets, with or without covers, primarily suited for the recording of written numerical business data;
- lined business or office forms, including but not limited to: pre-printed business forms, lined address pads and paper, mailing and address labels, manifests, and shipping log books;
- lined continuous computer paper;
- boxed or packaged writing stationary (including but not limited to products commonly known as “fine business paper,” “parchment paper,” and “letterhead”), whether or not containing a lined header or decorative lines;
- Stenographic pads (“steno pads”), Gregg ruled (“Gregg ruling” consists of a single- or double-margin vertical ruling line down the center of the page. For a six-inch by nine-inch stenographic pad, the ruling would be located approximately three inches from the left of the book.), measuring 6 inches by 9 inches;

Also excluded from the scope of this investigation are the following trademarked products:

- Fly™ lined paper products: A notebook, notebook organizer, loose or glued note paper, with papers that are printed with infrared reflective inks and readable only by a Fly™ pen-top computer. The product must bear the valid trademark Fly™ (products found to be bearing an invalidly licensed or used trademark are not excluded from the scope).
- Zwipes™: A notebook or notebook organizer made with a blended polyolefin writing surface as the cover and pocket surfaces of the notebook, suitable for writing using a specially-developed permanent marker and erase system (known as a Zwipes™ pen). This system allows the marker portion to mark the writing surface with a permanent ink. The eraser portion of the marker dispenses a solvent capable of solubilizing the permanent ink allowing the ink to be removed. The product must bear the valid trademark Zwipes™ (products found to be bearing an invalidly licensed or used trademark are not excluded from the scope).
- FiveStar® Advance™: A notebook or notebook organizer bound by a continuous spiral, or helical, wire and with plastic front and rear covers made of a blended polyolefin plastic material joined by 300 denier polyester, coated on the backside with PVC (poly vinyl chloride) coating, and extending the entire length of the spiral or helical wire. The polyolefin plastic covers are of specific thickness; front cover is 0.019 inches (within normal manufacturing tolerances) and rear cover is 0.028 inches (within normal manufacturing tolerances). Integral with the stitching that attaches the polyester spine covering, is captured both ends of a 1” wide elastic fabric band. This band is located 2–3/8” from the top of the front plastic cover and provides pen or pencil storage. Both ends of the spiral wire are cut and then bent backwards to overlap with the previous coil but specifically outside the coil diameter but inside the polyester covering. During construction, the polyester covering is sewn to the front and rear covers face to face (outside to outside) so that when the book is closed, the stitching is concealed from the outside. Both free ends (the ends not sewn to the cover and back) are stitched with a turned edge construction. The flexible polyester material forms a covering over the spiral wire to protect it and provide a comfortable grip on the product. The product must bear the valid trademarks FiveStar® Advance™ (products found to be bearing an invalidly licensed or

used trademark are not excluded from the scope).

- FiveStar Flex™: A notebook, a notebook organizer, or binder with plastic polyolefin front and rear covers joined by 300 denier polyester spine cover extending the entire length of the spine and bound by a 3–ring plastic fixture. The polyolefin plastic covers are of a specific thickness; front cover is 0.019 inches (within normal manufacturing tolerances) and rear cover is 0.028 inches (within normal manufacturing tolerances). During construction, the polyester covering is sewn to the front cover face to face (outside to outside) so that when the book is closed, the stitching is concealed from the outside. During construction, the polyester cover is sewn to the back cover with the outside of the polyester spine cover to the inside back cover. Both free ends (the ends not sewn to the cover and back) are stitched with a turned edge construction. Each ring within the fixture is comprised of a flexible strap portion that snaps into a stationary post which forms a closed binding ring. The ring fixture is riveted with six metal rivets and sewn to the back plastic cover and is specifically positioned on the outside back cover. The product must bear the valid trademark FiveStar Flex™ (products found to be bearing an invalidly licensed or used trademark are not excluded from the scope). Merchandise subject to this investigation is typically imported under headings 4820.10.2050, 4810.22.5044, 4811.90.9090, 4820.10.2010, 4820.10.2020 of the Harmonized Tariff Schedule of the United States (“HTSUS”). During the investigation additional HTS codes may be identified. The tariff classifications are provided for convenience and customs purposes; however, the written description of the scope of the investigation is dispositive.

Appendix II –

Issues and Decision Memorandum

- Comment 1: Calculation of CVD offset to the AD Cash Deposit Rate
- Comment 2: Financial Expense Ratio
- Comment 3: General and Administrative Expense Ratio
- Comment 4: Scrap Offset
- Comment 5: Depreciation Expense
- Comment 6: Kejriwal’s “Flexi Com Books” and “Personal Note Books”:
- Scope Issue
- Comment 7: Excise Tax Rebated and Duty Free Replenishment Certificates (“DFRC”)
- Comment 8: Kejriwal’s Packing Ministerial Error in Preliminary Determination

Comment 9: Kejriwal's Imputed U.S. Credit Expense
 Comment 10: Kejriwal's Minor Correction Regarding USDUTYU Field
 Comment 11: Decision not to Verify the Sales and Critical Circumstances Responses of Aero and Navneet
 Comment 12: Decision not to Fully Extend the Final Determination
 Comment 13: Whether the Cost Investigation was Unlawful and Not Based on Substantial Evidence
 Comment 14: Whether Adverse Inferences were Warranted for Aero and Navneet
 Comment 15: Legality of Methodology and Adverse Rates Applied to Aero and Navneet
 Comment 16: Treatment of Negative Margins
 [FR Doc. E6-12811 Filed 8-7-06; 8:45 am]
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DEPARTMENT OF COMMERCE

International Trade Administration

A-570-881

Malleable Iron Pipe Fittings From the People's Republic of China: Amended Final Results of Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: On June 29, 2006, the Department of Commerce ("Department") published *Malleable Iron Pipe Fittings From the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 71 FR 37051 (June 29, 2006) ("*Final Results*"), covering the period of review ("POR") December 2, 2003, through November 30, 2004. We are amending the *Final Results* to correct two ministerial errors made in the calculation of the dumping margin for LDR Industries Inc. and Beijing Sai Lin Ke Hardware Co., Ltd. (collectively "SLK"), pursuant to section 751(h) of the Tariff Act of 1930, as amended ("the Act").

EFFECTIVE DATE: August 8, 2006.

FOR FURTHER INFORMATION CONTACT: Jennifer Moats or Juanita H. Chen, AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW., Washington, DC 20230; telephone: 202-482-5047 or 202-482-1904, respectively.

SUPPLEMENTARY INFORMATION:

Period of Review

The POR is December 2, 2003, through November 30, 2004.

Scope of the Order

For purposes of this order, the products covered are certain malleable iron pipe fittings, cast, other than grooved fittings, from the People's Republic of China ("PRC"). The merchandise is currently classifiable under item numbers 7307.19.90.30, 7307.19.90.60 and 7307.19.90.80 of the Harmonized Tariff Schedule of the United States ("HTSUS"). Excluded from the scope of this order are metal compression couplings, which are imported under HTSUS number 7307.19.90.80. A metal compression coupling consists of a coupling body, two gaskets, and two compression nuts. These products range in diameter from ½ inch to 2 inches and are carried only in galvanized finish. Although HTSUS subheadings are provided for convenience and customs purposes, the Department's written description of the scope of this proceeding is dispositive.

Background

On June 29, 2006, the Department published the *Final Results* in the **Federal Register**. On June 28, 2006, and July 3, 2006, we received ministerial error allegations from SLK and Chengde Malleable Iron General Factory ("Chengde"). On July 24, 2006, the Department rejected a second submission filed by Chengde as untimely. A ministerial error is defined in section 751(h) of the Act and further clarified in 19 CFR 351.224(f) as "an error in addition, subtraction, or other arithmetic function, clerical error resulting from inaccurate copying, duplication, or the like, and any other similar type of unintentional error which the Secretary considers ministerial." After analyzing SLK's comments, we agree that the Department made two ministerial errors in SLK's margin calculation program for the *Final Results*. After analyzing Chengde's comments, we disagree with its allegations that the Department made ministerial errors in Chengde's margin calculation program for the *Final Results*. See the July 31, 2006, Memorandum from Juanita H. Chen to Wendy J. Frankel regarding the 2003-2004 Malleable Cast Iron Pipe Fittings from the People's Republic of China: Analysis of Ministerial Error Allegations. As a result, we are amending the *Final Results* only to revise the antidumping margin for SLK, in accordance with 19 CFR 351.224(e).

Analysis of Ministerial Error Allegations

SLK Allegation: Calculation Error for Weight Conversion

SLK argues that the Department erred when it converted SLK's U.S. expenses and packing factors from a per-piece basis to a per-kilogram basis by using an incorrectly calculated average weight of all the reported producer-specific weights (*i.e.*, WEIGHT4 in the margin calculation program). Specifically, SLK argues that the error resulted from the use of the "ID" statement in the SAS calculation program when weight averaging all of the reported weights of each fitting, thereby resulting in the Department's unintentional selection of the highest reported producer-specific weight rather than the weighted-average weight. SLK claims that the Department then applied the highest per-unit weight as reported by SLK's suppliers in its factors of production ("FOP") databases to convert the U.S. expenses and its packing expenses to a per-kilogram basis. SLK suggests that the Department correct this ministerial error by eliminating the "ID" statement and adding WEIGHT4 to the VAR statement, which calculates a weighted average of the reported producer-specific weights instead of the highest of the reported producer-specific weights.

Department's Position:

We agree with SLK that we inadvertently selected the highest reported weight by using the "ID" statement in the margin calculation. For these final results, we have eliminated the "ID" statement and added WEIGHT4 to the VAR statement. As a result, the revised margin calculation program applies the weighted-average of the reported producer-specific weights. Thus, we have revised SLK's margin accordingly.

SLK Allegation: Currency Conversion Error for Packing Expenses

SLK argues that the Department erroneously used Indian rupee-denominated freight values, instead of U.S. dollar-denominated freight values in calculating packing expenses. Specifically, SLK claims that the Department converted all the freight expenses related to SLK's packing FOPs from Indian rupees to U.S. dollars, but when calculating the total packing expenses, the Department added Indian rupee-denominated freight values to U.S. dollar-denominated surrogate values for the packing inputs. SLK suggests that the Department should correct this mistake by replacing the Indian rupee-denominated freight