

DEPARTMENT OF COMMERCE**International Trade Administration**

[A-533-809]

Certain Forged Stainless Steel Flanges From India; Preliminary Results of Antidumping Duty Administrative Review and Intent to Revoke the Order In Part

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

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain forged stainless steel flanges (stainless steel flanges) from India manufactured by Echjay Forgings Ltd. (Echjay) and Viraj Forgings Ltd. (Viraj). The period of review (POR) covers February 1, 2003, through January 31, 2004. We preliminarily determine that neither Echjay nor Viraj sold subject merchandise at less than normal value (NV) in the United States during the POR. We have also preliminarily determined to revoke the order with respect to subject merchandise produced and exported by Viraj.

We invite interested parties to comment on these preliminary results. Parties who submit argument in these proceedings are requested to submit with the argument (1) a statement of the issues and (2) a brief summary of the argument.

EFFECTIVE DATE: March 7, 2005.

FOR FURTHER INFORMATION CONTACT: Fred Baker, Mike Heaney or Robert James, AD/CVD Operations, Office 7, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, telephone : (202) 482-2924, (202) 482-4475, or (202) 482-0649, respectively.

SUPPLEMENTARY INFORMATION:**Background**

On February 9, 1994, the Department published the antidumping duty order on stainless steel flanges from India. *See Amended Final Determination and Antidumping Duty Order; Certain Forged Stainless Steel Flanges from India*, 59 FR 5994, (February 9, 1994). On February 3, 2004, the Department published the "Notice of Opportunity to Request Administrative Review" for this order covering the period February 1, 2003 through January 31, 2004 (69 FR 5125). *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 69

FR 5125, (February 3, 2004). In accordance with 19 CFR 351.213 (b)(1), Echjay and Viraj requested that we conduct this administrative review. On March 26, 2004, the Department published in the *Federal Register* a notice of initiation of this antidumping duty administrative review covering the 2003-2004 POR. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation In Part*, 69 FR 15788 (March 26, 2004).

On October 29, 2004, we extended the time limit for the preliminary results of this administrative review to February 28, 2005. *See Stainless Steel Flanges From India: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review*, 65 FR 65835 (October 29, 2004).

Scope of the Antidumping Duty Order

The products covered by this order are certain forged stainless steel flanges, both finished and not finished, generally manufactured to specification ASTM A-182, and made in alloys such as 304, 304L, 316, and 316L. The scope includes five general types of flanges. They are weld-neck, used for butt-weld line connection; threaded, used for threaded line connections; slip-on and lap joint, used with stub-ends/butt-weld line connections; socket weld, used to fit pipe into a machined recession; and blind, used to seal off a line. The sizes of the flanges within the scope range generally from one to six inches; however, all sizes of the above-described merchandise are included in the scope. Specifically excluded from the scope of this order are cast stainless steel flanges. Cast stainless steel flanges generally are manufactured to specification ASTM A-351. The flanges subject to this order are currently classifiable under subheadings 7307.21.1000 and 7307.21.5000 of the Harmonized Tariff Schedule (HTS). Although the HTS subheading is provided for convenience and customs purposes, the written description of the merchandise under review is dispositive of whether or not the merchandise is covered by the scope of the order.

Verification

As provided in section 782(i)(3) of the Tariff Act of 1930, as amended (the Tariff Act), we verified information provided by Viraj from January 17, 2005, through January 21, 2005, using standard verification procedures, the examination of relevant sales, cost, and financial records, and selection of original documentation containing relevant information. Our verification results are outlined in the public

versions of the verification reports, on file in the Department's Central Records Unit (CRU) located in room B-099 in the main Department of Commerce building.

Intent to Revoke, In Part

On February 27, 2004, Viraj requested revocation of the order covering stainless steel flanges from India as it pertains to its sales. According to section 751(d)(1) of the Tariff Act, the Department "may revoke, in whole or in part" an antidumping duty order upon completion of a review. Although Congress has not specified the procedures the Department must follow in revoking an order, the Department has developed a procedure for revocation set forth at 19 CFR 351.222. Pursuant to subsection 351.222(b), the Department may revoke an antidumping duty order, in part, if it concludes: (i) An exporter or producer has sold the merchandise at not less than NV for a period of at least three consecutive years, (ii) the exporter or producer has agreed in writing to its immediate reinstatement in the order if the Secretary concludes the exporter or producer, subsequent to the revocation, sold the subject merchandise at less than NV, and (iii) the continued application of the antidumping duty order is no longer necessary to offset dumping.

A request for revocation must address these three elements. The company requesting the revocation must do so in writing and submit the following statements with the request: (1) The company's certification that it sold the subject merchandise at not less than NV during the current review period and that, in the future, it will not sell at less than NV; (2) the company's certification that during each of the consecutive years forming the basis of the request, it sold the subject merchandise to the United States in commercial quantities; and (3) the agreement to reinstatement in the order if the Department concludes the company, subsequent to the revocation, sold the subject merchandise at less than NV. *See* 19 CFR 351.222(e)(1).

We preliminarily find that the request from Viraj meets all the criteria of 19 CFR 351.222(e)(1). With regard to the criteria of subsection 351.222(b)(2), our preliminary margin calculations indicate that Viraj did not sell stainless steel flanges in the United States at less than NV during the instant POR. *See* "Preliminary Results of Review," below. In addition, Viraj has not sold stainless steel flanges at less than NV in the three previous administrative reviews. *See Certain Stainless Steel Flanges From*

India: Final Results of Antidumping Duty Administrative Review, 67 FR 62439 (October 7, 2002); *Certain Forged Stainless Steel Flanges From India: Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 68 FR 42005 (July 16, 2003), and *Certain Forged Stainless Steel Flanges From India: Final Results of Antidumping Duty Administrative Review*, 69 FR 10409 (March 4, 2004).

Based on our examination of the sales data submitted by Viraj, we preliminarily determine Viraj sold the subject merchandise in the United States in commercial quantities in each of the consecutive years cited by Viraj to support its request for revocation. See "Analysis Memorandum for Viraj Forgings, Ltd. for the Preliminary Results of the Administrative Review of Stainless Steel Flanges from India," dated February 28, 2005, which is in the Department's CRU, room B-099. Thus, we preliminarily find Viraj had zero or *de minimis* margins in each of the last four consecutive administrative reviews, one more than required by our regulations, and sold in commercial quantities in all four years. Also, we preliminarily determine the application of the antidumping duty order to Viraj is no longer warranted for the following reasons: (i) the company had zero or *de minimis* margins for a period of at least three years; (ii) the company has agreed to its immediate reinstatement in the order if the Department finds it has resumed making sales at less than NV and (iii) the continued application of the order is not otherwise necessary to offset dumping.

Therefore, we preliminarily determine that Viraj qualifies for revocation of the order on certain forged stainless steel flanges from India pursuant to 19 CFR 351.222(b)(2), and that the order with respect to Viraj Forgings, Ltd. should be revoked.

If these preliminary findings are followed in our final results of review, we will revoke the order in part with respect to certain forged stainless steel flanges from India produced and exported by Viraj Forgings, Ltd. In accordance with 19 CFR 351.222(f)(3), we will terminate the suspension of liquidation for certain forged stainless steel flanges from India produced and exported by Viraj Forgings, Ltd. that were entered, or withdrawn from warehouse for consumption, on or after February 1, 2004, and will instruct U.S. Customs and Border Protection (Customs) to refund any cash deposits for such entries.

Normal Value Comparisons

To determine whether sales of subject merchandise to the United States by Echjay and Viraj were made at less than NV, we compared the export price or constructed export price, as appropriate, to the NV, as described in the "Export Price and Constructed Export Price" and "Normal Value" sections of this notice, below. In accordance with section 777A(d)(2) of the Tariff Act, we calculated monthly weighted-average prices for NV and compared these to the prices of individual export price (EP) or constructed export price (CEP) transactions.

Product Comparisons

In accordance with section 771(16) of the Tariff Act, we considered all products described by the Scope of the Antidumping Duty Order section, above, which were produced and sold by Echjay and Viraj in the home market, to be foreign like products for purposes of determining appropriate comparisons to U.S. sales. Where there were no sales of identical merchandise in the home market to compare to U.S. sales, we compared U.S. sales to the next most similar foreign like product on the basis of the characteristics and reporting instructions listed in the Department's questionnaire. Where there were no sales of identical or similar merchandise in the home market suitable for comparing to U.S. sales, we compared these sales to constructed value (CV), pursuant to section 773(a)(4) of the Tariff Act.

During the course of this review both respondents requested that the Department modify the model match characteristics used in comparing U.S. and home market sales. Echjay asked that a new characteristic be added to capture the flanges' thickness, while Viraj proposed a new variable be added to differentiate between custom-ordered and standard flanges. However, the Department believes the existing model match methodology captures those physical characteristics which impact directly on the cost and price of these products. Viraj's custom-made products vary only minutely from its standard products, while Echjay's request for a separate thickness category is unnecessary because the differing wall thicknesses are necessarily captured by basing our comparisons on weight. Accordingly, we have not altered our model match criteria for this review.

Export Price and Constructed Export Price

In accordance with section 772(a) of the Tariff Act, EP is defined as the price

at which the subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of the subject merchandise outside of the United States to an unaffiliated purchaser in the United States, or to an unaffiliated purchaser for exportation to the United States. In accordance with section 772(b) of the Tariff Act, CEP is the price at which the subject merchandise is first sold (or agreed to be sold) in the United States before or after the date of importation by or for the account of the producer or exporter of such merchandise or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter, as adjusted under subsections (c) and (d).

For sales of both respondents in the United States, we used EP in accordance with section 772(a) of the Tariff Act in those instances where the merchandise was sold directly to the first unaffiliated purchaser prior to importation, and CEP was not otherwise warranted based on the facts of record. For both Echjay and Viraj, we also used CEP in accordance with section 772(b) for those sales made through their respective U.S. affiliates, Echjay USA, Inc. and Viraj USA, Inc.

We calculated EP and CEP, as appropriate, based on the prices charged to the first unaffiliated customer in the United States. We used the date of invoice as the date of sale. We based EP on the packed C&F, CIF duty paid, FOB, or ex-dock duty paid prices to the first unaffiliated purchasers in the United States. We made deductions for movement expenses in accordance with section 772(c)(2)(A) of the Tariff Act, including: foreign inland freight, foreign brokerage and handling, ocean freight, and marine insurance.

For CEP we also deducted those selling expenses incurred in selling the subject merchandise in the United States, including direct selling expenses (e.g., bank commissions and charges, documentation fees, etc.), and imputed credit. In accordance with section 772(d)(3) of the Tariff Act, we deducted an amount for profit allocated to the expenses deducted pursuant to sections 772(d)(1) and (2) of the Tariff Act.

Duty Drawback

Section 772(c)(1)(B) of the Tariff Act provides that EP or CEP shall be increased by "the amount of any import duties imposed by the country of exportation which have been rebated, or which have not been collected, by reason of the exportation of the subject merchandise to the United States." The Department determines that an adjustment to U.S. price for claimed duty drawback is appropriate when a

company can demonstrate that there is (i) a sufficient link between the import duty and the rebate, and (ii) sufficient imports of the imported material inputs to account for the duty drawback received for the export of the manufactured product (the so-called "two-prong test"). See *Rajinder Pipes, Ltd. v. United States*, 70 F. Supp. 2d 1350, 1358 (Ct. Int'l Trade 1999); see also *Viraj Group, Ltd. v. United States*, 162 F. Supp. 2d 656 (Ct. Int'l Trade 2001) (Commerce's rejection of claimed adjustments to either price or cost for Indian duty drawback sustained; remanded on other grounds).

Echjay claimed it received Duty Entitlement Pass Book (DEPB) certificates from the Indian government which it books in an "Export Incentives Ledger." See Echjay's June 2, 2004, Section C response at Annexure H. According to Echjay, these DEPB certificates, awarded based on the FOB value of the finished goods, are intended to offset import duties on raw materials, "and also to nullify the incidence of interest rates higher than international rates, high indigenous cost of electricity and fuels, and local taxes which are built into the cost of locally produced and sold steel." *Id.* Echjay stated it "sold" all of its DEPB certificates during the POR. See Echjay's November 1, 2004, Supplemental Response at page 8.

Viraj claimed it received DEPB certificates to offset the Indian customs duties otherwise payable on imported raw materials. See Viraj's June 2, 2004 Section C, response at C-26. In a supplemental response, Viraj stated it has either used DEPB Licenses for self-import of raw material or given such DEPB Licenses to Viraj Alloys, Ltd. (VAL), an affiliated steel producer. Viraj further claimed VAL used the licenses for importing stainless steel scrap and assorted alloys used in manufacturing stainless steel billets. See Viraj's October 29, 2004, Supplemental Response at 9.

The Department finds that Echjay and Viraj have not provided substantial evidence on the record to meet the requirement of the first prong of the two-prong test, to wit, to establish the necessary link between the import duty and the reported rebate for duty drawback. While both respondents indicated they received duty drawback in the form of certificates issued by the Government of India, they have failed to establish the necessary direct link between the import duty paid, and the rebate given by the Government of India. Echjay's response makes clear that much of the DEPB certificate program has no bearing on home market

import duties of any kind. Moreover, Viraj acknowledges it did not use all its DEPB certificates to claim a rebate on the inputs used to manufacture subject stainless steel flanges but, rather, transferred some of them to VAL to import scrap and alloys for the manufacture of raw steel. Finally, we note the value of the DEPB certificates is calculated based upon the FOB prices of the finished goods, as exported. All these factors demonstrate clearly that there is no direct link between these certificates, and the companies' own imports of inputs, and the eventual production of finished goods for export. Therefore, the Department is denying a duty drawback credit for the preliminary results of this review.

Normal Value

A. Viability

In order to determine whether there is sufficient volume of sales in the home market to serve as a viable basis for calculating NV (*i.e.*, the aggregate volume of home market sales of the foreign like product during the POR is equal to or greater than five percent of the aggregate volume of U.S. sales of subject merchandise during the POR), for each respondent we compared the volume of home market sales of the foreign like product to the volume of U.S. sales of the subject merchandise. We found no reason to determine that quantity was not the appropriate basis for these comparisons, so value was not used. See section 773(a)(1)(C) of the Tariff Act and 19 CFR 351.404(b)(2). Therefore, for both respondents we based NV on home market sales to unaffiliated purchasers made in the usual quantities and in the ordinary course of trade.

We based our comparisons of the volume of U.S. sales to the volume of home market and third country sales on reported stainless steel flange weight, rather than on number of pieces. The record demonstrates that there can be large differences between the weight (and corresponding cost and price) of stainless steel flanges based on relative sizes, so comparisons of aggregate data would be distorted for these products if volume comparisons were based on the number of pieces.

B. Cost of Production Analysis

In the most-recently completed segment of this proceeding, the Department disregarded certain Viraj sales made in the home market at less than its cost of production. See *Certain Forged Stainless Steel Flanges From India; Preliminary Results and Partial Rescission of Antidumping Duty*

Administrative Review, 68 FR 63758 (November 10, 2003) (unchanged for final, 69 FR 10409, March 5, 2004). Accordingly, in the instant review the Department determined it had reasonable grounds to believe or suspect that Viraj made sales in the home market at prices below the cost of producing the merchandise in this review. See section 773(b)(2)(A)(ii) of the Tariff Act. As a result, we solicited information on Viraj's cost of production to determine if Viraj had made below-cost home market sales in this review.

C. Calculation of Cost of Production

In accordance with section 773(b)(3) of the Tariff Act we calculated cost of production (COP) based on the sum of Viraj's cost of materials and fabrication of the foreign like product, adding amounts for home market selling, general and administrative expenses (SG&A), interest expenses and packing costs. The Department relied on the COP data submitted by Viraj in its original and supplemental cost questionnaire responses for these calculations.

D. Test of Home Market Prices

We compared the weighted-average COP for Viraj's home market sales of the foreign like product as required under section 773(b) of the Tariff Act in order to determine whether these sales were made at prices below the COP. In determining whether to disregard home market sales at prices less than COP, we examined whether: (i) Such sales were made in substantial quantities within an extended period of time, and (ii) at prices which permitted the recovery of all costs within a reasonable period of time, in accordance with sections 773(b)(1)(A) and (B) of the Tariff Act. We compared COP to home market prices, less any applicable movement charges and direct selling expenses.

E. Results of the Cost Test

Pursuant to section 773(b)(2)(C) of the Tariff Act, when less than 20 percent of a respondent's sales of a given product were at prices less than COP we did not disregard any such sales because they were not made in substantial quantities within an extended period of time. When 20 percent or more of a respondent's sales of a given product during the POR were at prices less than COP we disregarded the below-cost sales because they were made in substantial quantities within an extended period of time, pursuant to section 773(b)(2)(D) of the Tariff Act. See Viraj Preliminary Analysis Memorandum, dated February 28, 2005.

Based on this test, we disregarded below-cost sales made during the POR by Viraj.

Price-to-Price Comparisons

For Echjay and Viraj, we compared U.S. sales with contemporaneous sales of the foreign like product in India. As noted, we considered stainless steel flanges identical based on the following five criteria: grade, type, size, pressure rating, and finish. We used a 20 percent difference-in-merchandise (difmer) cost deviation cap as the maximum difference in cost allowable for similar merchandise, which we calculated as the absolute value of the difference between the U.S. and comparison market variable costs of manufacturing divided by the total cost of manufacturing of the U.S. product. For both respondents, we also made adjustments for differences in packing costs between the two markets and for movement expenses in accordance with sections 773(a)(6)(A) and (B) of the Tariff Act. Finally, we adjusted for differences in the circumstances of sale (COS) pursuant to section 773(a)(6)(C)(iii) of the Tariff Act and 19 CFR 351.410. For comparisons to EP, we made COS adjustments by deducting home market direct selling expenses and adding U.S. direct selling expenses. Finally, for Echjay, we also made adjustments in accordance with 19 CFR 351.410(e) for indirect selling expenses incurred in the home market or United States where commissions were granted on sales in one market but not in the other (the "commission offset").

Constructed Value

In accordance with section 773(a)(4) of the Tariff Act, we based NV on CV if we were unable to find a contemporaneous comparison market match for the U.S. sale. We calculated CV based on the cost of materials and fabrication employed in producing the subject merchandise, SG&A, and profit. In accordance with 772(e)(2)(A) of the Tariff Act, we based SG&A expenses and profit on the amounts incurred and realized by the respondent in connection with the production and sale of the foreign like product in the ordinary course of trade for consumption in the foreign country. For selling expenses, we used the weighted-average comparison market selling expenses. Where appropriate, we made COS adjustments to CV in accordance with section 773(a)(8) of the Tariff Act and 19 CFR 351.410. For comparisons to EP, we made COS adjustments by deducting home market direct selling expenses and adding U.S. direct selling expenses. For Echjay, we also made

adjustments for home market indirect selling expenses to offset commissions in EP comparisons.

Level of Trade

In accordance with section 773(a)(1)(B)(i) of the Tariff Act, to the extent practicable, we determine NV based on sales in the home market at the same level of trade (LOT) as EP or the CEP. The NV LOT is that of the starting-price sales in the home market or, when NV is based on CV, that of the sales from which we derive SG&A expenses and profit. For CEP it is the level of the constructed sale from the exporter to an affiliated importer after the deductions required under section 772(d) of the Tariff Act.

To determine whether NV sales are at a different LOT than EP or CEP, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison-market sales are at a different LOT and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison-market sales at the LOT of the export transaction, we make a LOT adjustment under section 773(a)(7)(A) of the Tariff Act. Finally, for CEP sales, if the NV level is more remote from the factory than the CEP level and there is no basis for determining whether the difference in the levels between NV and CEP affects price comparability, we adjust NV under section 773(a)(7)(B) of the Tariff Act (the CEP-offset provision). *See Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa*, 62 FR 61731, 61732-33 (November 19, 1997).

In implementing these principles in this review, we obtained information from Echjay and Viraj about the marketing stages involved in their U.S. and home market sales, including a description of the selling activities in the respective markets. In identifying levels of trade for CEP we considered only the selling activities reflected in the price after the deduction of expenses and profit under section 772(d) of the Tariff Act. *See Micron Technology v. United States*, 243 F.3d 1301, 1314 (Fed. Cir. 2001). Generally, if the reported levels of trade are the same in the home and U.S. markets, the functions and activities of the seller should be similar. Conversely, if a party reports differences in levels of trade the functions and activities should be dissimilar.

Echjay and Viraj both reported one channel of distribution and one LOT in

the home market contending that home market sales to distributors and wholesalers were made at the same level of trade, and involved the same selling activities. *See* Viraj's May 4, 2004, Section A response at 11 (Viraj Section A Response); *see also*, Echjay's May 11, 2004, Section A response at 8-9 (Echjay Section A Response). In fact, for both respondents all merchandise was sold in the home market on *ex works* terms. *See, e.g.*, Echjay's June 2, 2004, Section B Response at 7 and Viraj's June 2, 2004, Section B response, at 14. After examining the record evidence provided by both companies, we preliminarily determine that for Echjay and Viraj, a single LOT exists in the home market.

Echjay and Viraj further contended they provided substantially the same level of customer support on their U.S. EP sales as they provided on their home market sales to distributors or wholesalers. For both companies this included customer contact, order processing, arranging customer pick-up at the mill, invoicing, and processing payments. The Department has determined that we will find sales to be at the same LOT when the selling functions performed for each customer class are sufficiently similar. *See* 19 CFR 351.412 (c)(2). We found the selling functions to be virtually identical for home market sales to distributors and wholesalers. We also found Echjay and Viraj performed virtually the same level of customer support services on their U.S. EP sales as they did on their home market sales. *See* Echjay Section A Response and Viraj Section A Response, *op. cit.*. Therefore, for Echjay and Viraj, we preliminarily find that a single LOT exists for these companies' EP sales which is on the same LOT as sales in the home market.

As to CEP sales, in its Section A Response Echjay indicated its U.S. subsidiary, Echjay USA, Inc., performed no selling activities or services beyond notifying the final customer of the merchandise's arrival at the U.S. port; customers were responsible for arranging shipment and Customs clearance at their own expense. *See* Echjay Section A Response at 9. Echjay further asserts "[f]or all our sales, both to our US market as well as our [h]ome market, the functions and services provided by us remain the same and hence the sales are at the same level of trade." Similarly, although Viraj sells through a U.S. affiliate, Viraj USA, Inc., the subject merchandise is shipped directly to the unaffiliated U.S. customer. Viraj notes it is "claiming no CEP offset in calculation of normal value." Viraj Section A Response at 14 (original emphasis).

The record evidence supports a finding that in both markets and in all channels of distribution, Echjay and Viraj perform essentially the same level of services. These include order processing, packing, shipping and invoicing of sales, and processing of payments. Based on our analysis of the selling functions performed on EP and CEP sales in the United States, and sales in the home market, we determine that the EP and CEP and the starting price of home market sales represent the same stage in the marketing process, and are thus at the same LOT. Accordingly, we preliminarily find that no level of trade adjustment or CEP offset is appropriate for either Echjay or Viraj.

Currency Conversions

We made currency conversions into U.S. dollars in accordance with section 773(a) of the Tariff Act, based on the exchange rates in effect on the dates of the U.S. sales, as certified by the Federal Reserve Bank.

Preliminary Results of Review

As a result of our review we preliminarily find the following weighted-average dumping margins exist for the period February 1, 2003, through January 31, 2004:

Manufacturer/Exporter	Margin (percent)
Echjay Forgings, Ltd.	0.03
Viraj Forgings, Ltd.	0.01

The Department will disclose calculations performed within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). An interested party may request a hearing within 30 days of publication. See CFR 351.310(c). Any hearing, if requested, will be held 37 days after the date of publication, or the first business day thereafter, unless the Department alters the date per 19 CFR 351.310(d).

Interested parties may submit case briefs or written comments no later than 30 days after the date of publication of these preliminary results of review. Rebuttal briefs and rebuttals to written comments, limited to issues raised in the case briefs and comments, may be filed no later than 35 days after the date of publication of this notice. Parties who submit argument in these proceedings are requested to submit with the argument 1) a statement of the issue, 2) a brief summary of the argument, and (3) a table of authorities. Further, we would appreciate it if parties submitting written comments would provide the Department with an additional copy of the public version of any such comments on diskette. The Department

will issue final results of this administrative review, including the results of our analysis of the issues raised in any such written comments or at a hearing, within 120 days of publication of these preliminary results.

Assessment Rates

Upon issuance of the final results of this review, the Department shall determine, and the U.S. Customs and Border Protection (Customs) shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b)(1), we have calculated importer-specific assessment rates based on the total amount of antidumping duties calculated for the examined sales made during the POR divided by the total entered value, or quantity (in kilograms), as appropriate, of the examined sales. Upon completion of this review, where the assessment rate is above *de minimis*, we shall instruct Customs to assess duties on all entries of subject merchandise by that importer.

Cash Deposit Requirements

The following deposit requirements will be effective upon completion of the final results of this administrative review for all shipments of flanges from India entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(1) of the Tariff Act: (1) the cash deposit rates for the reviewed companies will be the rates established in the final results of administrative review; if the rate for a particular company is zero or *de minimis*, i.e., less than 0.5 percent, no cash deposit will be required for that company; (2) for manufacturers or exporters not covered in this review, but covered in the original less-than-fair-value (LTFV) investigation or a previous review, the cash deposit will continue to be the most recent rate published in the final determination or final results for which the manufacturer or exporter received a company-specific rate; (3) if the exporter is not a firm covered in this review, a prior review or the original investigation, but the manufacturer is, the cash deposit rate will be that established for the most recent period for that manufacturer of the merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous reviews, the cash deposit rate will be 162.14 percent, the "all others" rate established in the LTFV investigation (59 FR 5994, February 9, 1994). These deposit requirements, when imposed, shall remain in effect until publication of the

final results of the next administrative review.

Notification to Interested Parties

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Tariff Act.

Dated: February 28, 2005.

Joseph A. Spetrini,

Acting Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-427-818]

Low Enriched Uranium From France: Preliminary Results of Antidumping Duty Administrative Review

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

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on Low Enriched Uranium (LEU) from France in response to requests by USEC Inc. and the United States Enrichment Corporation (collectively, petitioners) and by Eurodif, S.A. (Eurodif), Compagnie Générale Des Matières Nucléaires (COGEMA) and COGEMA, Inc. (collectively, Eurodif/COGEMA or the respondent). This review covers sales of subject merchandise to the United States during the period of February 1, 2003, through January 31, 2004.

We have preliminarily determined that U.S. sales have been made below normal value (NV). If these preliminary results are adopted in our final results, we will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties based on the difference between the constructed export price (CEP) and the NV. Interested parties are invited to comment on these preliminary results.