propylene, butylene, butadiene, petroleum coke, asphalt, sulfur, and sulfuric acid.

The request cites the FTZ Board's recent decision in the Amoco, Texas City, Texas case (Board Order 731, 60 FR 13118, 3/10/95) which authorized subzone status with the NPF option noted above. In the Amoco case, the Board concluded that the restriction that precluded this NPF option was not needed under current oil refinery industry circumstances.

Public comment on the proposal is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is October 23, 1995.

A copy of the application and accompanying exhibits will be available for public inspection at the following location: Office of the Executive Secretary, Foreign-Trade Zones Board, U.S. Department of Commerce, Room 3716, 14th & Pennsylvania Avenue, NW, Washington, DC 20230.

Dated: September 15, 1995.

John J. Da Ponte, Jr.,

Executive Secretary.

[FR Doc. 95–23486 Filed 9–20–95; 8:45 am]

BILLING CODE 3510–DS–P

A–538–802

Shop Towels From Bangladesh; Final Results of Antidumping Duty Administrative Review

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

ACTION: Notice of Final Results of Antidumping Duty Administrative Review.

SUMMARY: On December 28, 1994, the Department of Commerce published the preliminary results of its administrative review of the antidumping duty order on shop towels from Bangladesh. The review covers six producers and/or exporters of this merchandise to the United States and the period September 21, 1991, through February 28, 1993.

We gave interested parties an opportunity to comment on the preliminary results. Based on our analysis of the comments received and the correction of certain clerical errors, we have made certain changes for the final results. The review indicates the existence of dumping margins for certain firms during the review period.

EFFECTIVE DATE: September 21, 1995.

FOR FURTHER INFORMATION CONTACT: Davina Hashmi or Michael Rill, Office of Antidumping Compliance, International Trade Administration, U.S. Department of Commerce, Washington, DC 20230; telephone (202) 482–4733.

SUPPLEMENTARY INFORMATION:

Background

On March 29, 1993, the Department of Commerce (the Department) published in the Federal Register (57 FR 9688) the antidumping duty order on shop towels from Bangladesh. Milliken & Company (Milliken), the petitioner, requested in accordance with 19 C.F.R. 353.22 that we conduct an administrative review of the period September 12, 1991, through February 28, 1993. We published a notice of initiation of administrative review for this period on May 6, 1993 (58 FR 26960). On December 28, 1994, we published the preliminary results of the administrative review (59 FR 66910).

The Department has now completed the administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Tariff Act).

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute and to the Department's regulations are references the provisions as they existed on December 31, 1994.

Scope of Review

The product covered by this administrative review is shop towels. Shop towels are absorbent industrial wiping cloths made from a loosely woven fabric. The fabric may be either 100 percent cotton or a blend of materials. Shop towels are currently classifiable under item numbers 6307.10.2005 and 6307.10.2015 of the Harmonized Tariff Schedule (HTS). Although HTS subheadings are provided for convenience and customs purposes, our written description of this proceeding remains dispositive.

The administrative review covers six firms for the period September 21, 1991, through February 28, 1993: Eagle Star Mills, Ltd. (Eagle Star); Greyfab (Bangladesh) Ltd. (Greyfab); Hashem International (Hashem); Khaled Textile Cotton Mills, Ltd. (Khaled); Shabnam Textiles (Shabnam); and Sonar Cotton Mills (BD), Ltd. (Sonar).

Analysis of Comments Received

The Department gave interested parties the opportunity to comment on the preliminary results. At the request of both respondents and petitioner, we held a hearing on February 13, 1995. We received case and rebuttal briefs from the petitioner and respondents Greyfab, Hashem, Khaled, Shabnam, and Sonar.

General Comments

Comment 1: Respondents Greyfab, Khaled and Sonar contend that the Department should not adjust their constructed value (CV) by calculating an imputed interest expense on the loans made by directors to their companies during the initial stages of production. Respondents argue that such interest-free loans represent a form of equity infusion and are the typical form of capitalization in the Bangladesh shop towel industry for companies which do not finance operations through bank loans. Respondents note the use of this form of capitalization by three respondents as evidence of industry practice in Bangladesh. Respondents claim that the actual interest expense recorded on their financial statements should be used for CV, since this reflects the actual costs the companies incurred. Further, respondents contend that the Department did not have statutory authority to apply the ''best evidence available'' provision for these related party transactions to the general expenses, which include interest expenses. Moreover, respondents maintain that, in calculating CV, the Department has not established a precedent for imputing interest expense on interest-free loans.

Finally, respondents assert that, if the Department considers it appropriate to impute interest expense on the director loans, it should not rely on the short- or medium-term interest rate used to compute CV for the preliminary results of review. Rather, respondents contend that, because the loans do not have fixed repayment schedules, they are designed to meet the three companies' long-term financing needs. As such, respondents argue that the Department should impute interest expense based on an interest rate charged on a long-term bank loan to one of the other two remaining respondents. According to Greyfab, Khaled and Sonar, this bank loan rate, charged by an unrelated party, represents an appropriate interest rate.

Petitioner argues that the Department properly imputed interest expense on interest-free loans from related parties and that this is consistent both with related party transaction provisions in the statute and with the Department's normal practice. Petitioner also states that the director loans are not equity capital, as claimed by the respondents. In petitioner's view, the CV the Department uses in its margin

calculations should reflect the fair market cost of this type of loan. Petitioner further asserts that, contrary to respondents' claim, director loans are not the customary form of financing shop towel production in Bangladesh, since two of the five respondents do not have such loans, and that other alternative forms of financing, including bank loans, are normally used. Petitioner contends that the Department used an appropriate short- to medium-term interest rate for the preliminary results. Petitioner argues that the absence of a specified repayment schedule and the use of funds from the loans for start-up costs support the Department's treatment of these loans as short- to medium-term in nature. Petitioner asserts that the Department should use the same interest rate for its final results.

DOC Position: We agree with petitioner. The director loans are identified on the respondents' financial statements as ''Loan from Director'' and ''Director's Loan.'' Additionally, there is no evidence on the record to support respondents' contention that these amounts should be treated as equity capital and, in fact, equity accounts appear elsewhere on their financial statements. Since we have no basis to reclassify these amounts to equity, we consider them to be loans, consistent with respondents' financial statement treatment. See Final Determination of Sales at Less than Fair Value: Fresh Cut Roses from Ecuador, 60 FR 7019, 7039 (February 6, 1995).

We disagree with respondents' assertion that we do not have the statutory authority to apply the ''best evidence available'' provision to determine the interest rate applicable to these related party transactions. Section 773(e)(2) of the statute permits the Department to use best evidence available to assign an appropriate amount to any element of value, including interest expense, which it believes is not fairly valued. As demonstrated in Final Determination of Sales at Less than Fair Value: Aramid Fiber Formed of Poly-Phenylene Terephthalamide From the Netherlands, 59 FR 23684, 23689 (May 6, 1994), our practice is to impute interest expense on transactions when the rate charged by a related party lender does not reflect a fair market rate. In this case, we do not consider the respondents' interest-free related party loans to be reflective of the fair market borrowing rate in Bangladesh since such loans typically involve some cost to the borrower. Therefore, we imputed interest expense on these loans using a rate of 15 percent.

We obtained the 15-percent interest rate from the November 1993 version of International Financial Statistics, published by the International Monetary Fund (IMF). The publication describes the rate as representative of the amount Bangladesh banks charge ''usually to meet the short- and medium-term financing needs of the private sector'' (as shown on page XVIII). Despite their claim that the director loans should be classified as long-term liabilities, respondents only point to the absence of a fixed repayment schedule in support of their claim. We disagree with respondents; in this instance, the absence of a fixed repayment schedule is, in fact, indicative of a short-term demand note because the lender can demand payment on the principal at any time. In addition, there is evidence on the record supporting the position that these amounts should be considered current liabilities, including the significant loan repayments made by Greyfab and Sonar and the statement by respondents that the amounts are refundable when funds become available from company operations.

Finally, we do not believe the alternative interest rate suggested by the respondents is appropriate, as the bank loan to which they refer occurred after the period of review (POR) and the interest rate is adjustable. Accordingly, we consider the IMF rate for short- and medium-term financing to be a reasonable approximation of the fair market borrowing rate in Bangladesh for similar loans.

Comment 2: Khaled claims that the Department's calculation of interest expense on director loans for the preliminary results of review was incorrect. Khaled notes that the Department multiplied the amount of the director loan by the imputed interest rate to obtain a twelve-month interest expense figure and then divided this amount by the cost of goods sold figure from Khaled's audited financial statements to calculate the interest factor. Khaled argues that this is inappropriate because the financial statements cover an eight-month period and claims that the Department should adjust the interest expense figure to reflect an eight-month period.

Petitioner contends that the Department's calculation of interest expense for Khaled is understated. Petitioner states that the Department should use a twenty-month period to calculate interest expense because the director loans were outstanding during a twelve month period in which operations were suspended, plus the eight months immediately following, which were covered by Khaled's financial statements.

DOC Position: Since we have determined that it is appropriate to impute interest on the director loans, we must consider the proper period over which to calculate the imputed interest. It is well-established Department practice to calculate a net interest expense factor based on a respondent's full-year audited financial statements for the year that most closely corresponds to the POR. See, e.g., Final Determination of Sales at Less Than Fair Value: Canned Pineapple Fruit From Thailand, 60 FR 29553, 29569 (June 5, 1995). Khaled's financial statements include a statement from its auditors expressing an opinion on the profit and loss statement ''for the year ended on that date'' (February 28, 1993). However, the heading of the profit and loss statement suggests that it covers a period from July 1992 to February 1993. Due to the conflicting evidence in Khaled's financial statements, we were unable to determine with certainty whether the profit and loss statement does, in fact, cover only eight months. Therefore, in accordance with our practice, we computed the interest expense factor by dividing the full year's imputed interest expense by the cost of goods sold figure listed in the respondent's financial statement.

Comment 3: Sonar disagrees with the Department's decision to reject portions of its brief regarding the prior year adjustments it reported on its financial statements for fiscal years 1991, 1992, and 1993. Sonar states that its submission containing these explanations does not represent new factual information, as determined by the Department. Rather, Sonar contends, the submission merely explains and reorganizes data it submitted earlier in the review. In addition, Sonar states that the Department should not apply best information available (BIA) to the company's general expenses because of the unexplained prior year adjustment amounts. Sonar notes that it has substantially cooperated with the Department. Thus, in Sonar's view, it would be unjust for the Department to apply an adverse methodology due to the company's failure to provide a complete response to one question of a supplemental questionnaire.

Sonar asserts that if the Department does use BIA, then it should select a neutral surrogate amount for selling, general and administrative (SG&A) expenses rather than the BIA methodology which the Department used in the preliminary results of review. Sonar claims that the approach the Department used for the preliminary

results is inconsistent, since the Department treated negative and positive prior year adjustments in the same manner, *i.e.*, by adding the adjustment amounts to the reported SG&A expenses. Sonar also claims that this methodology is arbitrary in that it results in SG&A figures which are many times as high as those shown for other companies in the industry.

Petitioner asserts that, because Sonar submitted its explanation of the prior year adjustments long after the Department's due date, the Department's treatment of these adjustments using BIA is justified. Petitioner views the respondent's failure to provide the necessary information regarding the prior year adjustments as uncooperative and states that the Department should reject Sonar's submitted costs and, citing *National Steel Corporation et al.* v. *United States*, Slip. Op. 94–194 (CIT December 13, 1994), argues that the Department should instead apply a first-tier total BIA margin of 42.31 percent. Petitioner further argues that even if the Department does not use first-tier total BIA to establish Sonar's dumping margin, then the Department should apply an adverse partial BIA because Sonar omitted information that was not beyond its control and which affects a large portion of its total sales during this review period. Finally, petitioner suggests that even if the Department considers its use of BIA inappropriate, it should still include the prior year adjustments in CV as it is within the Department's discretion to do so.

DOC Position: We disagree with Sonar that the Department should accept its untimely submission of information explaining the prior year adjustments. Sonar submitted this information of the prior year adjustments on the record well beyond the due date (see letter from Director, Office of Antidumping Compliance, addressed to Sonar Cotton Mills (BD), April 18, 1995).

We also disagree with petitioner that the Department should apply a first-tier total BIA. Because Sonar cooperated in all other aspects of the review, application of total BIA is inappropriate. However, because we did not receive a timely explanation of these prior year adjustment amounts, we have applied a partial BIA approach in our treatment of them for purposes of calculating CV. As BIA, we have included the negative ''expense'' prior year adjustment amounts and we have excluded the positive ''income'' prior year adjustment amount.

Comment 4: Greyfab argues that the Department erroneously double-counted the treatment of inspection fees on U.S. sales by subtracting these fees from United States price (USP) while adding these fees to the foreign market value (FMV). Respondents request that the Department change its calculations to ensure that its sales reflect the adjustment correctly.

Department's Position: We disagree with respondents. The Department made the correct calculation for the circumstance-of-sale adjustment by subtracting inspection fees from only USP. We did not make an adjustment to FMV for inspection fees in our preliminary results. Therefore, no change to our calculations is necessary.

Comment 5: Hashem contends that the Department used the incorrect invoice price for two shipments. Hashem states that it submitted the correct invoice price for both shipments to the Department in the supplemental questionnaire response dated April 1, 1994. However, Hashem asserts the Department neglected to use this information in the preliminary calculations.

Department's Position: We agree with Hashem. We have made the necessary changes for these final results.

Comment 6: Hashem argues that for the sales it made to a certain customer, the Department erroneously used the amounts that Hashem reported as ''total net weight (lbs)'' instead of using the amounts reported as ''total net weight (kgs)''. Respondent asserts that the Department should use the value for ''total net weight (kgs)'' in its calculation of USP because, in its view, to do otherwise significantly overstates the ''total net weight (kgs)'' which has a significant impact on the Department's calculation of USP. In addition, respondent asserts that the Department used the incorrect values in the ''total net weight (kgs)'' column for three observations in the calculations of USP. The respondent states that for one of the observations, the Department erroneously divided the weight (kgs/bale) by the conversion factor used to convert pounds to kilograms, when none of the other figures in the same column within the spreadsheet were manipulated by the conversion factor. The respondent states that in the case of the other two observations, the figures used by the Department in the ''total net weight column'' were not the values it reported for these specific observations, but rather, were values taken from different observations in Hashem's reported spreadsheet.

Department's Position: We agree with the respondent and have made the necessary corrections for these final results.

Comment 7: Petitioner argues that the Department should add an imputed interest expense to Sonar's CV for a bank loan which appears on the company's financial statements. Petitioner notes that even though Sonar did not make any interest payments on this bank loan, Sonar has incurred a period obligation to pay interest. Petitioner suggests that Sonar's attempt to obtain a waiver is evidence that there is an obligation to pay interest it incurred during the period. According to petitioner, the Department should include this obligation in Sonar's CV and impute interest at the prevailing lending rate of 15 percent.

Sonar claims that the Department has no authority to disregard actual general expenses in transactions between unrelated parties in calculating CV. Sonar also notes that a reserve has not been recorded on its audited financial statements for any potential interest obligation and that there is no evidence on the record that it will pay interest to the bank which made the loan. Sonar argues that any interest which it might pay to the bank in the future is currently a potential contingent liability and claims that the Department's practice does not support adjusting actual expenses under such circumstances.

DOC Position: We agree with petitioner. Although Sonar did not reserve for interest related to the bank loan in its financial statements, we believe there is a basis for imputing interest on the loan and adding this expense to the company's CV. The Department's practice is to rely on a respondent's books and records prepared in accordance with its home country GAAP unless those accounting principles do not reasonably reflect costs associated with the production of the subject merchandise. See, e.g., Final Determination of Sales at Less Than Fair Value: Canned Pineapple Fruit From Thailand, 60 FR 29553, 29560 (June 5, 1995). In this instance, respondent's accounting principles do not reasonably reflect costs. Although Sonar has provided audited financial statements which do not reflect an interest accrual, there is no evidence to support the position that the company does not have an obligation to pay interest on its bank loan. We consider zero interest expense on a loan an unreasonable cost of borrowing. The interest expense associated with this bank loan should properly be reflected in the cost of producing the subject merchandise. Therefore, we imputed interest expense on this loan and adjusted CV accordingly.

Comment 8: Petitioner argues that the Department should adjust Greyfab's CV

to include the balance of ''Liabilities for Other Finance'', which appears on the respondent's June 30, 1993, balance sheet. While acknowledging that this amount concerns expenses incurred for the 1991 hurricane that damaged the company's factory building and production facilities, petitioner argues that the Department should include this expense in CV. Petitioner asserts that there is no basis to exclude such repair and shut-down expenses from CV.

Greyfab claims that the Department should not include the Liabilities for Other Finance in CV since this amount represents extraordinary, non-operating expenses. According to Greyfab, the Department's normal practice is to exclude such extraordinary losses which are not related solely to current operations.

DOC Position: We disagree with petitioner. Petitioner refers to ''Liabilities for Other Finance'', which is a balance sheet item. The balance sheet reports a company's assets and liabilities as of a certain date, and does not necessarily reflect expenses incurred during the POR. We are satisfied that Greyfab reconciled all costs reported on its financial statements to its submitted costs. In addition, while this liability reflects an expense which was recognized in either the current year or a past year, there is no evidence on the record to indicate that Greyfab has excluded POR repair and shut-down expenses related to this liability. Accordingly, we have not adjusted CV for the ''Liabilities for Other Finance'' amount Greyfab reported on its balance sheet.

Comment 9: Petitioner argues that the Department should adjust Khaled's CV to include expenses related to a twelve-month suspension of company operations. Petitioner claims that Khaled's reported expenses for this event are inadequate and the Department should substitute a BIA approach to calculate the actual costs incurred by the respondent. Petitioner suggests that the temporary suspension of operations should have resulted in the recording of significant expenses, including depreciation of idle plant and equipment, shut-down costs, start-up costs, inventory disposal expenses, and payments to officers and employees. According to petitioner, Khaled did not account for any of these expenses in its submissions.

Khaled argues that petitioner has no basis for suggesting that its reported costs are inadequate and claims that the record provides no evidence to suggest that Khaled incurred any expenses beyond those which it submitted in its response. Khaled argues that all costs have been properly reported in its audited financial statements and suggests that there is no support for the Department to apply BIA.

DOC Position: We agree with the respondent. We are satisfied that Khaled reconciled all costs reported on its financial statements to its submitted costs. Khaled and its counsel have certified to the Department that its submitted costs are accurate. See Antifriction Bearings (other than Tapered Roller Bearings) and Parts Thereof from France, Final Results of Antidumping Duty Administrative Review, 57 FR 28360 (1992). From a review of the record, there is no basis to conclude that Khaled has not reported all costs related to its twelve-month suspension of operations. Therefore, we have not adjusted CV as petitioner suggests.

Comment 10: Petitioner claims that the Department should use BIA to determine the cost associated with operating the weavers villages (employee housing) that Khaled and Shabnam have established. According to petitioner, the record indicates that Khaled and Shabnam have not fully accounted for all expenses relating to these villages in their cost submissions. Petitioner suggests that the fixed asset schedules Khaled and Shabnam submitted do not appear to cover all assets and expenditures related to the establishment and maintenance of the weavers villages. Specifically, petitioner argues that the reported costs do not reflect each company's cost of providing roads, repairs and maintenance, security and health services, utilities, telephones and entertainment. Additionally, petitioner claims that the Department should adjust respondents' labor costs to reflect the provision of company housing to employees. As BIA, petitioner suggests that the Department use World Bank statistics which provide U.S. housing costs as a percentage of total personal consumption expenditures.

Khaled and Shabnam claim that petitioner has no basis for arguing that they have not properly accounted for the costs related to the weavers' housing. They claim that they included amounts in their submissions for repairs and maintenance, entertainment, and miscellaneous expenses, and that their depreciation schedules include amounts for colony and road development. Khaled and Shabnam also indicate that the workers are responsible for maintenance of their own homes. Respondents argue that the BIA methodology petitioner proposes is unreasonable and claim that there is no rational relationship between housing costs as a percentage of total personal consumption expenditures in the United States and the cost of company housing in Bangladesh.

DOC Position: We agree with the respondents. There is no reason for the Department to apply a BIA rate to adjust respondents' labor costs to reflect the provision of company housing to employees. From a review of the record, there is no basis to conclude that Khaled and Shabnam have not reported all costs related to the establishment and maintenance of the weaver villages. In addition, respondents and their counsel certified the accuracy of the respondents' responses. See Antifriction Bearings (other than Tapered Roller Bearings) and Parts Thereof from France, Final Results of Antidumping Duty Administrative Review, 57 FR 28360 (1992). We are therefore satisfied that Khaled and Shabnam reported all costs.

Comment 11: Sonar claims that the Department made a clerical error in its calculation of SG&A for the preliminary results of review. Sonar states that there is an incorrect formula in the Department's calculations of CV for each product. Sonar requests that the Department review its calculation of SG&A and make the appropriate corrections.

DOC Position: We agree with Sonar and have corrected this error in our SG&A calculation for the final results of review.

Final Results of the Review

As a result of the comments received, we have revised our final results and determine that the following margins exist for the period September 21, 1991 through February 28,1993:

Manufacturer/exporter	Margin (percent)
Eagle Star	42.31
Greyfab	0.00
Hashem	0.01
Khaled	9.61
Shabnam	0.15
Sonar	8.30

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between United States price and foreign market value may vary from the percentages stated above. The Department will issue appraisement instructions directly to the Customs Service.

Furthermore, the following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the

publication date of these final results of administrative review, as provided by section 751(a)(1) of the Tariff Act: (1) The cash deposit rates for Eagle Star, Greyfab, Hashem, Khaled, Shabnam, and Sonar will be the rates shown above; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will be 4.60 percent, the ''all others'' rate from the LTFV investigation.

These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice serves as a final reminder to importers of their responsibility under 19 CFR 353.26 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.

This notice also serves as a reminder to parties subject to administrative protective orders (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 353.34(d)(1). Timely written notification of the 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.

This administrative review and notice are in accordance with section 751(a)(1) of the Tariff Act (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: September 13, 1995.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 95–23487 Filed 9–20–95; 8:45 am]

BILLING CODE 3510–DS–P

[A–538–802]

Shop Towels From Bangladesh; Preliminary Results of Antidumping Duty Administrative Review

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

ACTION: Notice of preliminary results of antidumping duty administrative review.

SUMMARY: In response to a request from the petitioner, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on shop towels from Bangladesh. The review covers 6 manufacturers/exporters of the subject merchandise to the United States. The period of review (POR) is March 1, 1993, through February 28, 1994.

We have preliminarily determined that one exporter made no shipments during the POR and that the use of best information available (BIA) is appropriate for two exporters. We have also preliminarily determined that sales by the remaining exporters have been made below the foreign market value (FMV). If these preliminary results are adopted in our final results of the administrative review, we will instruct U.S. Customs to assess antidumping duties equal to the difference between the United States price (USP) and the FMV.

Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: September 21 ,1995.

FOR FURTHER INFORMATION CONTACT: Matthew Rosenbaum, Davina Hashmi or Michael Rill, Office of Antidumping Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, Washington, DC 20230; telephone: (202) 482–4733.

SUPPLEMENTARY INFORMATION:

Background

On March 20, 1992, the Department published in the Federal Register (57 FR 9688) the antidumping duty order on shop towels from Bangladesh. On March 4, 1994, the Department published a notice of ''Opportunity to Request an Administrative Review'' (59 FR 10368) of this antidumping duty order for the period March 1, 1993, through February 28, 1994. On March 15, 1994, the petitioner, Milliken & Company, requested an administrative review for six manufacturers/exporters of shop towels from Bangladesh.

We published a notice of initiation of the review on April 15, 1994 (59 FR 18099). The Department is now conducting this review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute and to the Department's regulations are references to the provisions as they existed on December 31, 1994.

Scope of Review

The product covered by this administrative review is shop towels. Shop towels are absorbent industrial wiping cloths made from a loosely woven fabric. The fabric may be either 100 percent cotton or a blend of materials. Shop towels are currently classifiable under item numbers 6307.10.2005 and 6307.10.2015 of the Harmonized Tariff Schedules (HTS). Although HTS subheadings are provided for convenience and customs purposes, our written description of the scope of this proceeding remains dispositive.

United States Price

In calculating USP, the Department used purchase price as defined in section 772(b) of the Act, because the subject merchandise was sold to unrelated U.S. purchasers prior to importation and the exporter's sales price (ESP) methodology was not indicated by other circumstances.

Purchase price was based on ex-factory, f.o.b., c.i.f., or c&f prices to unrelated purchasers in the United States. We made adjustments, where applicable, for ocean freight, insurance, and forwarding charges in accordance with section 772(d)(2) of the Act.

No other adjustments were claimed or allowed.

Foreign Market Value

We calculated FMV based on constructed value (CV) in accordance with section 773(e) of the Act, because none of the respondents sold such or similar merchandise in the home market or in any third-country market during the POR. The CV includes the cost of materials and fabrication of the merchandise exported to the United States, plus general expenses, profit and packing. To calculate CV we used: (1) Actual general expenses, or the statutory minimum of 10 percent of materials and fabrication, whichever was greater; (2) profit, as calculated by using the statutory minimum of 8 percent of materials, fabrication costs and general expenses; and (3) packing costs for