

**DEPARTMENT OF COMMERCE****International Trade Administration**

[C-533-063]

**Certain Iron-Metal Castings From India; Amended Final Results of Countervailing Duty Administrative Review**

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

**ACTION:** Notice of amended final results of countervailing duty administrative review.

**SUMMARY:** On December 6, 1996, the Department of Commerce ("the Department") published in the Federal Register the final results of the 1992 Administrative Review of the countervailing duty order on Certain Iron Metal Castings from India ("castings") (61 FR 64676). Based on corrections of ministerial errors, we are now amending the final results of this review. We have corrected these errors and determine the net subsidies to be 0.00 percent *ad valorem* for Dinesh Brothers, Pvt. Ltd., 14.20 percent for Kajaria Iron Castings Pvt. Ltd., and 6.08 percent *ad valorem* for all other companies. We will instruct the U.S. Customs Service to assess countervailing duties as indicated above.

**EFFECTIVE DATE:** January 3, 1997.

**FOR FURTHER INFORMATION CONTACT:** Marian Wells, Office of CVD/AD Enforcement I, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-6309.

**SUPPLEMENTARY INFORMATION:****Background**

On December 6, 1996, the Department of Commerce published in the Federal Register the final results of the 1992 Administrative Review of the countervailing duty order on *Certain Iron Metal Castings from India* (61 FR 64676). The period covered by this administrative review is January 1, 1992 through December 31, 1992.

On December 11, 1996, the Department received a timely allegation from respondents that the Department had made clerical errors in its loan calculations with respect to three companies in the final results of this review. In particular, the respondents allege that we did not take account of "penalty" interest payments in our calculations. On December 18, 1996,

petitioner responded, taking the position that the alleged errors for two of the companies were not clerical in nature.

**Applicable Statute and Regulations**

Unless otherwise stated, 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 the Review**

Imports covered by the review are shipments of Indian manhole covers and frames, clean-out covers and frames, and catch basin grates and frames. These articles are commonly called municipal or public works castings and are used for access or drainage for public utility, water, and sanitary systems. During the review period, such merchandise was classifiable under the *Harmonized Tariff Schedule* (HTS) item numbers 7325.10.0010 and 7325.10.0050. The HTS item numbers are provided for convenience and Customs purposes. The written description remains dispositive.

**Ministerial Errors in Final Results of Review****Serampore**

The respondents allege that we did not take account of "penalty" interest payments in our calculations. We have reviewed the calculations in the final results of this review and we agree with respondents that we should have included certain penalty interest payments. Our consistent practice in other reviews has been to include penalty interest as part of the effective cost of the postshipment loans. The Department also notes that in reviewing the calculations, we learned that we failed to adjust the benchmark used for certain loans to reflect inflation. With the inflation adjustment, those loans, which we found not countervailable in our final results, have become countervailable. The Department has corrected the loan calculations for all respondents to include penalty interest, and has made the inflation adjustment to the benchmark for those loans where it was not previously included.

**Calcutta Ferrous**

In reviewing our calculations, the Department also learned that we had entered the wrong number of days for certain postshipment loans which were outstanding for one respondent, Calcutta Ferrous. We have corrected this error.

**Kajaria Iron Castings Pvt. Ltd.**

In respect to Kajaria Iron Castings Pvt. Ltd., the respondents allege that the Department failed to take into account the penalty interest on most of the loans that extended into 1993. We have reviewed this calculation and disagree with respondents. The Department did in fact take into account penalty interest on loans that were extended into 1993, but only for those loans where the penalty interest was paid in whole or in part in 1992 (the POR). If a loan was received in 1992 and repaid in 1993, and all of the penalty interest paid in 1993 (outside of the POR), the penalty interest will be accounted for in the 1993 review. Therefore, we do not consider this to be a clerical error and have not adjusted our calculations.

**Calculation Methodology for Assessment and Cash Deposit Purposes**

Pursuant to *Ceramica Regiomontana, S.A. v. United States*, 853 F. Supp. 431, 439 (CIT 1994), Commerce is required to calculate a country-wide CVD rate, *i.e.*, the all-others rate, by "weight averaging the benefits received by all companies by their proportion of exports to the United States, inclusive of zero rate firms and *de minimis* firms." Therefore, we first calculated a subsidy rate for each company subject to the administrative review. We then weighted the rate received by each company using its share of U.S. exports to total Indian exports to the United States of subject merchandise. We then summed the individual companies' weighted rates to determine the weighted-average country-wide subsidy rate from all programs benefitting exports of subject merchandise to the United States.

Because the country-wide rate calculated using this methodology was above *de minimis*, as defined by 19 CFR 355.7 (1994), we proceeded to the next step and examined the net subsidy rate calculated for each company to determine whether individual company rates differed significantly from the weighted-average country-wide rate, pursuant to 19 CFR 355.22(d)(3). Two companies (Kajaria and Dinesh) received significantly different net subsidy rates during the review period. These companies will be treated separately for assessment purposes, while all other companies will be assigned the weighted-average country-wide rate. However, because the *Final Results of the 1992 Administrative Review of the Countervailing Duty Order on Certain Iron Metal Castings from India* (61 FR 64676) was published concurrently with the final results of the

1993 administrative review, the 1993 administrative review will continue to serve as the basis for setting the cash deposit rate.

Amended Final Results of Review

For the period January 1, 1992 through December 31, 1992, we determine the net subsidies to be 0.00 percent *ad valorem* for Dinesh Brothers, Pvt. Ltd., 14.20 percent for Kajaria Iron Castings Pvt. Ltd., and 6.08 percent *ad valorem* for all other companies.

This amendment of final results of reviews and notice are in accordance with section 751(f) of the Act (19 U.S.C. 1675(f)) and 19 CFR 355.28(c).

Dated: December 31, 1996.

Robert S. LaRussa,  
*Acting Assistant Secretary for Import Administration.*

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