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MEMORANDUM TO: Joseph A. Spetrini
Acting Assistant Secretary
for Import Administration

FROM: Stephen J. Claeys
Deputy Assistant Secretary
for Import Administration

SUBJECT: Issues and Decision Memorandum for Final Results of the
Antidumping Duty Administrative Review on Certain Preserved
Mushrooms from India - February 1, 2004, through January 31,
2005

DATE: February 23, 2006

Summary

We have analyzed the comments of the interested parties in the 2004-2005 administrative review of the antidumping duty order covering certain preserved mushrooms from India. As a result of our analysis of these comments, we have made changes in the margin calculations as discussed in the "Margin Calculations" section of this memorandum. We recommend that you approve the positions we have developed in the "Discussion of the Issues" section of this memorandum. Below is the complete list of the issues in this administrative review for which we received comments from parties:

Agro Dutch

Comment 1: *Programming Errors in the Margin Calculation Program*

Comment 2: *Currency Conversion Errors in the Margin Calculation Program*

Background

The review covers one manufacturer/exporter, Agro Dutch Industries, Ltd. (Agro Dutch). The period of review is February 1, 2004, through January 31, 2005. On November 7, 2005, the Department of Commerce ("the Department") published the preliminary results of this review of the antidumping duty order on certain preserved mushrooms from India (70 FR 67440) ("Preliminary Results"). We invited parties to comment on the preliminary results of review.

We received a case brief from Agro Dutch on December 7, 2005. The petitioner filed a rebuttal brief on December 14, 2005.¹ Neither party requested a hearing.

Margin Calculations: Changes from the Preliminary Results

We calculated Agro Dutch's export price (EP), normal value (NV), and cost of production (COP) using the same methodology described in the preliminary results, except as explained below.

Agro Dutch

- We corrected certain arithmetic errors in the calculation of NV in the margin calculation program. See Comment 1.

Discussion of the Issues

Comment 1: Programming Errors in the Margin Calculation Program

Agro Dutch claims that the Department made two programming errors in the preliminary results margin program, which affected the calculation of NV. According to Agro Dutch, the Department erred by reversing the arithmetic sign for certain adjustments in the NV calculation. To correct these errors, Agro Dutch proposes programming changes in its case brief.

The petitioner agrees with Agro Dutch's observations.

DOC Position:

We agree with Agro Dutch that we inadvertently made these errors in the calculation of NV in the margin program, and we have made the appropriate corrections, as proposed by Agro Dutch in its brief.

Comment 2: Currency Conversion Errors in the Margin Calculation Program

Agro Dutch claims that, in the preliminary results, the Department erred in its margin calculation program by applying the wrong currency to the reported U.S. movement insurance expense and U.S. indirect selling expense. Agro Dutch states that the Department incorrectly treated the U.S. indirect selling expense, reported in U.S. dollars, as a rupee-denominated expense. In addition, Agro Dutch asserts that it reported the U.S. movement insurance expense in rupees, but the Department treated it as a U.S. dollar-denominated expense.

The petitioner agrees with Agro Dutch with respect to the treatment of the U.S. indirect selling expense; however, the petitioner notes that the error did not affect the margin because of subsequent programming. With respect to the U.S. movement insurance expense, the petitioner

¹ The petitioner is the Coalition for Fair Preserved Mushroom Trade which includes the following domestic companies: L.K. Bowman, Inc., Monterey Mushrooms, Inc., Mushroom Canning Company, and Sunny Dell Foods, Inc.

contends that Agro Dutch has stated in its questionnaire response that these insurance expenses are reported in U.S. dollars, and there is no support on the record for its claim in the case brief that these expenses are reported in rupees.

DOC Position:

We agree with Agro Dutch that we made a programming error with respect to the treatment of the U.S. indirect selling expense, and have made the appropriate correction even though, as the petitioner notes, it has no impact on the margin calculation. See "Agro Dutch Final Results Calculation Memorandum," Memorandum to the File, dated February 23, 2006" for details. With respect to the U.S. movement insurance expense, based on our analysis and review of the record, we find that Agro Dutch specifically identified this expense as a U.S. dollar expense at page C-24 of the May 23, 2005, section A-D questionnaire response. We find no other evidence on the record to indicate that these expenses are reported in rupees. Accordingly, we have made no change to the margin calculation with respect to the treatment of this expense.

Recommendation

Based on our analysis of the comments received, we recommend adopting all of the above positions. If these recommendations are accepted, we will publish the final results of review and the final weighted-average dumping margin for the reviewed firm in the Federal Register.

Agree ____

Disagree ____

Joseph A. Spetrini
Acting Assistant Secretary
for Import Administration

(Date)