

**File No 6/31/2023-DGTR**  
**Government of India**  
**Department of Commerce**  
**Ministry of Commerce & Industry**  
**(Directorate General of Trade Remedies)**  
**4th Floor, Jeevan Tara Building,**  
**5, Parliament Street, New Delhi - 110001**

Dated: 29<sup>th</sup> March, 2024

**INITIATION NOTIFICATION**  
**Case No. OI -29/2023**

Subject: Initiation of an anti-dumping investigation concerning imports of **“Pretilachlor in any of its form & its intermediate – 2,6-Diethyl-n-(2-propoxy ethyl) Aniline (also known as PEDDA)”** originating in or exported from **China PR**.

1. India Pesticides Limited (hereinafter also referred to as the “applicant”) has filed an application before the Designated Authority (hereinafter referred to as the “Authority”), on behalf of the domestic industry, in accordance with the Customs Tariff Act, 1975, as amended from time to time (hereinafter referred to as “Act”) and the Customs Tariff (Identification, Assessment and Collection of Anti-dumping duty on Dumped Articles and for Determination of Injury) Rules, 1995, as amended from time to time (hereinafter referred to as “Rules”), for initiation of an anti-dumping investigation concerning imports of **“Pretilachlor in any of its form & its intermediate – 2,6-Diethyl-n-(2-propoxy ethyl) Aniline (also known as PEDDA)”** (hereinafter referred to as “subject goods” or “product under consideration” or “PUC”), originating in or exported from **China PR** (hereinafter referred to as “subject country”).
2. The applicant has alleged that material injury and threat of material injury is being caused to the domestic industry due to the dumped imports, originating in or exported from the subject country and has requested for the imposition of anti-dumping duty on the imports of the subject goods from the subject country.

**A. PRODUCT UNDER CONSIDERATION**

3. The product under consideration in the present petition is **pretilachlor in any of its form and its intermediate “2,6-diethyl-n-(2-propoxy ethyl) aniline” (also known as PEDDA)**.

4. Pretilachlor is a liquid chemical used to produce herbicides formulation for controlling weeds in rice cultivation. It is a colourless and odourless liquid. The basic raw materials required to produce pretilachlor are 2- Propoxyethyl Chloride and 2,6 Diethyl Aniline. PEDAs are then processed with Chloro Acetyl Chloride and Soda Ash to produce pretilachlor in technical form.

#### **Unit of measurement**

5. The product under consideration is produced and sold in terms of weight expressed in Kgs or MT.

#### **Use**

6. PEDAs are used to produce pretilachlor technical. Pretilachlor technical is used to produce pretilachlor formulation, which is used as a herbicide.
7. Pretilachlor is a pre-emergence herbicide that suppresses all types of weeds in rice.

#### **Tariff Classification**

8. The product under consideration does not have a dedicated classification under the Custom Tariff Act, 1975 and have been classified under following codes -**3808 91 99, 3808 93 90, 3808 99 10, 3808 99 00 , 29214290, 29221990 and 29222990.**

The customs classification code is indicative only and is not binding on the scope of the present investigation.

9. The parties in the present investigation may provide their comments on the PUC and propose PCNs, if any, within 15 days of the circulation of the non-confidential version of documents filed before the Authority.

#### **B. LIKE ARTICLE**

10. The applicant has claimed that the subject good, which have been alleged to be dumped in India, are identical to the goods produced by the domestic industry. There are no known differences in the technical specifications, quality, functions and end use of the two products. The Authority notes that the two are *prima facie* technically and commercially substitutable. Therefore, for the purpose of the present investigation, the subject goods produced by the applicant in India are being treated as 'like article' to the subject goods being imported from the subject country.

#### **C. SUBJECT COUNTRY**

11. The subject country in the present petition is **China PR.**

#### **D. PERIOD OF INVESTIGATION (POI)**

12. The period of investigation (POI) adopted by the Authority for the present investigation is 1<sup>st</sup> October, 2022 to 30<sup>th</sup> September, 2023 (12 months). The injury investigation period covers the periods 1<sup>st</sup> April 2020 - 31<sup>st</sup> March 2021, 1<sup>st</sup> April 2021 - 31<sup>st</sup> March 2022, 1<sup>st</sup> April 2022 – 31<sup>st</sup> March 2023 and the POI.

#### **E. DOMESTIC INDUSTRY AND STANDING**

13. The application has been filed by India Pesticides Limited. The applicant has claimed that it is producer of both the Pretilachlor & PEDA and has submitted that it has the requisite standing to file the present application.
14. As per the information submitted by the applicant, it has imported the subject goods from a related producer/exporter in China PR. The imports were made before the commencement of commercial production at plant and were intended for captive consumption and were not made during the POI. Further, the applicant is not related to any producers/exporters in the subject country or any importers of the subject goods in India. The Authority notes, after due examination, *prima facie* the applicant constitutes eligible domestic industry in terms of the provisions of Rule 2(b) and the application satisfies the criteria in terms of Rule 5(3) of the Rules.

#### **F. BASIS OF ALLEGED DUMPING**

##### **a. Normal Value**

15. The applicant has claimed that in terms of Article 15(a)(i) of China's Accession Protocol and Para 7 of the Annexure-I to the AD Rules, the normal value for Chinese producers may be determined based on the cost or domestic selling price prevailing in China PR, only if the responding Chinese producers demonstrate that their cost and price information are based on market-driven principles and allow for fair comparison in terms of paras 1 to 6 of Annexure-I to the ADD Rules, failing which, normal value for the Chinese producers must be determined based on paras 7 and 8 of Annexure-I to the Rules.
16. The applicant has also claimed that the data relating to cost or price in a market economy third country or recourse to other alternative methods is not available. The normal value has been, thereby, constructed based on the best estimates of the cost of the production of the domestic industry of the subject goods as per the best information available after duly adjusting the selling, general and administrative expenses with reasonable profits.

##### **b. Export Price**

17. The export price for the subject goods has been computed based on the DG System transaction-wise import data. Appropriate price adjustments have been claimed to make the prices at ex-factory levels so that they become comparable with normal value.

##### **c. Dumping Margin**

18. The normal value and the export price have been compared at the ex-factory level, which *prima facie* shows that the dumping margin is above the *de-minimis* level and is significant with respect to the product under consideration exported from the subject country. Thus, there is sufficient *prima facie* evidence that the product under consideration from the subject country is being dumped in the Indian market by the exporters from the subject country.

#### **G. INJURY AND CAUSAL LINK**

19. Information furnished by the applicant has been considered for assessment of injury to the domestic industry. The applicant has furnished evidence regarding the injury that took place as a result of the alleged dumping in the form of an increased volume of dumped imports in absolute terms and in relation to production or consumption in India, price undercutting, price underselling and price suppressing and depressing effect on the domestic industry. The applicant has claimed that its performance has been adversely impacted in respect of sales, profitability, return on investment, accumulation of inventories and capacity utilization as a result of an increase in imports of the products under consideration at an injurious price for the domestic industry. There is sufficient *prima facie* evidence that the injury is being caused to the domestic industry by dumped imports from the subject country.

#### **H. INITIATION OF ANTI-DUMPING INVESTIGATION**

20. On the basis of the duly substantiated written application by the domestic industry, and having satisfied itself, on the basis of the *prima facie* evidence submitted by the domestic industry, about dumping of the subject goods originating in or exported from the subject country, injury to the domestic industry and causal link between such alleged dumping and injury, and in accordance with Section 9A of the Act read with Rule 5 of the AD Rules, the Authority, hereby, initiates an investigation to determine the existence, degree and effect of any alleged dumping in respect of the subject goods originating in or exported from the subject country and to recommend the amount of anti-dumping duty, which if levied, would be adequate to remove the injury to the domestic industry.

#### **I. PROCEDURE**

21. The principles as stipulated under Rule 6 of the Rules shall be followed in the present investigation.

#### **J. SUBMISSION OF INFORMATION**

22. All communication should be sent to the Designated Authority via email at the email addresses [adg14-dgtr@gov.in](mailto:adg14-dgtr@gov.in), [adv13-dgtr@gov.in](mailto:adv13-dgtr@gov.in), [dd16-dgtr@gov.in](mailto:dd16-dgtr@gov.in) and [dd12-dgtr@gov.in](mailto:dd12-dgtr@gov.in). It should be ensured that the narrative part of the submission is in searchable PDF/MS Word format and data files are in MS Excel format.
23. The known producers/exporters in the subject country, the government of the subject country through its embassy in India, and the importers and users in India who are known to be associated with the subject goods are being informed separately to enable

them to file all the relevant information in the form and manner prescribed within the time limit set out below.

24. Any party interested to participate in the present investigation may register themselves with the Designated Authority within 40 days of the publication of the initiation notification of this investigation or such extended period as may be allowed by the Authority. Any request at a later stage for registration as an interested party shall not be entertained. The Authority on the basis of such request, will examine and consider the request, as appropriate.
25. Any other interested party may also make its submissions relevant to the investigation in the form and manner prescribed within the time limit set out below. Any party making any confidential submission before the Authority is required to make a non-confidential version of the same available to the other interested parties.
26. Interested parties are further directed to keep regularly visit the official website of the Directorate General of Trade Remedies (<https://www.dgtr.gov.in/>) to stay updated and apprised with the information as well further processes related to the investigation.

#### **K. TIME LIMIT**

27. Any information relating to the present investigation should be sent to the Designated Authority via email at the following email addresses [adg14-dgtr@gov.in](mailto:adg14-dgtr@gov.in), [adv13-dgtr@gov.in](mailto:adv13-dgtr@gov.in), [dd16-dgtr@gov.in](mailto:dd16-dgtr@gov.in) and [dd12-dgtr@gov.in](mailto:dd12-dgtr@gov.in) within thirty (30) days from the date on which it was sent by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting country as per Rule 6(4) of the Rules. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record its findings on the basis of the facts available on record in accordance with the Rules.
28. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses within the above time limit.

#### **L. SUBMISSION OF INFORMATION ON A CONFIDENTIAL BASIS**

29. Any party making any confidential submissions or providing information on a confidential basis before the Authority is required to simultaneously submit a non-confidential version of the same in terms of Rule 7(2) of the Rules. Failure to adhere to the above may lead to rejection of the response/submissions.
30. The parties making any submission (including Appendices/Annexures attached thereto), before the Authority including questionnaire response, are required to file confidential and non-confidential versions separately.

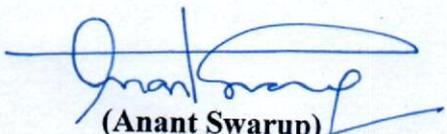
31. The "confidential" or "non-confidential" submissions must be clearly marked as "confidential" or "non-confidential" at the top of each page. Any submission made without such marking shall be treated as non-confidential by the Authority, and the Authority shall be at liberty to allow the other interested parties to inspect such submissions.
32. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out (in case indexation is not feasible) and summarized depending upon the information on which confidentiality is claimed. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on a confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.
33. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or if the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.
34. Any submission made without a meaningful non-confidential version thereof or a good cause statement on the confidentiality claim shall not be taken on record by the Authority.
35. The interested party can offer their comments on the issues of confidentiality claimed by other interested party within 7 days of the circulation of the non-confidential version of the documents filed before the Authority.

#### **M. INSPECTION OF PUBLIC FILE**

36. A list of registered interested parties will be uploaded on the DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions to all other interested parties.

#### **N. NON-COOPERATION**

37. In case any interested party refuses access to, or otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may declare such interested party as non-cooperative and record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.

  
(Anant Swarup)  
Designated Authority