Case No. AD (OI) – 35/2025

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART I, SECTION 1]

F. No. 6/40/2025-DGTR

Government of India

Ministry of Commerce & Industry

Department of Commerce

Directorate General of Trade Remedies

4th Floor, Jeevan Tara Building, 5, Parliament Street,

New Delhi – 110001

Date: 28th September 2026

FINAL FINDINGS

Anti-dumping investigation concerning imports of Melamine originating in or exported from China PR.

Table of contents

A. BACKGROUND OF THE CASE

F. No. 6/40/2025 – DGTR - Having regard to 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 as the "Anti-Dumping Rules" or "Rules") thereof.

1. The Designated Authority (hereinafter referred to as "Authority") received an application from Gujarat State Fertilisers and Chemicals Limited (GSFC) (hereinafter referred to as the "applicant" or the "domestic industry") seeking initiation of an anti-dumping investigation on imports of Melamine (hereinafter to be referred to as the "subject goods" or "product under consideration" or "PUC"), originating in or exported from China PR (hereinafter referred to as the "subject country").

2. On the basis of *prima facie* evidence submitted by the domestic industry, the Authority issued a public notice vide notification no. 6/40/2025-DGTR dated 29th September 2025, published in the Gazette of India, Extraordinary, initiating the subject investigation in accordance with Section 9A of the Act read with Rule 5 of the Rules to determine the existence, degree and effect of the alleged dumping 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 alleged injury to the domestic industry.

B. PROCEDURE

3. The procedure described below has been followed with regard to the investigation:

3.1 Initiation

i. In accordance with Rule 5(5), prior to initiation of the investigation, the government of the subject country was notified through their embassy in India about the receipt of the present anti-dumping application.

ii. In accordance with Rule 6(2), the interested parties were informed of the initiation of the investigation by sharing a copy of the initiation notification with the embassy of the subject country in India, known producers and exporters of the product under consideration in the subject country, known importers of the subject goods in India and other interested parties, as per the information made available in the application.

3.2 Period of investigation and injury period:

i. As noted in the initiation notification, the period of investigation (POI) was considered as 1st April 2024 to 31st March 2025. The injury period was set to cover the years 2021-22, 2022-23, 2023-24 and the period of investigation.

3.3 Import data

i. A request was made to the DG System to obtain transaction-wise import data of the subject goods for the injury period. The data was received and has been relied upon for the necessary analysis after due examination of the transactions. The volume and value of imports have been considered based on the DG System transaction wise data.

3.4 Circulation of non-confidential version of the application

i. In accordance with Rule 6(3), a copy of the non-confidential version of the application was provided to the government of the subject country through their embassy in India, known exporters of the subject imports from the subject country, to the known importers/users in India and to other interested parties who requested in writing a copy of the application.

ii. The Authority sent questionnaire to the government of the subject country through their embassy in India. The government of the subject country was requested to forward the initiation notification and the questionnaires to the producers of the product under consideration in their country and advise them to respond to the questionnaire within the prescribed time limit.

3.5 Intimation and participation by exporters of the subject country and users/importers of the product under consideration in India.

i. In accordance with Rule 6(4), questionnaires were sent to the following producers and exporters to seek information regarding the normal value and net export price for the investigation. Producers from China were asked to complete the MET questionnaire in case they intend to claim market economy status.

SN	Producers/exporters
1	Anhui Jinhe Industrial Co., Ltd.
2	Chengdu Yulong Chemical Co Ltd
3	Foshan Kaisino Building Material Co., Ltd.
4	Golden Elephant Chemical Co Ltd
5	Henan Hongye Technological Chemical Co., Ltd.
6	Henan Xinlianxin International Trading Co Ltd
7	Henen Harvest International Co Ltd
8	Holitech Technology Co Ltd
9	Inner Mongolia Ihjuchem Industrial Co., Ltd.
10	Jianfeng Chemicals Co. Ltd
11	Luxi Chemical Group Co Ltd
12	Shandong Hulu Hengsheng Chemical Co Ltd
13	Sichuan Chemical Works Co Ltd
14	Sichuan Golden-Elephant Sincerity Chemical Co Ltd
15	Sichuan Meifeng Chemical Ind' Co Ltd
16	Tianjin Kaiwei Chemical Co. Ltd
17	Urumqi Petrochemical Co Ltd
18	Weifang Tainuo Chemical Co Ltd
19	Yangmei Fengxi Fertilizer Industry (Group) Co Ltd
20	Yingkou Tianluan Eiaborate Chemical Industry Co Ltd

ii. Exporter’s Questionnaires were also sent to the government of the subject country through its embassy in India. The government of the subject country was requested to forward the initiation notification and the exporter’s questionnaires to the producers/exporters of the subject goods in the subject country and advise them to respond to the questionnaire within the prescribed time limit.

iii. In response to the above, the following producers/exporters from the subject country have responded and filed the exporter's questionnaire response:

SN	Producers/exporters
1	Brothers Wing International Trading Co. Ltd.
2	Golden Elephant International Supply Chain Management Co. Ltd.
3	Harvest International Business Limited
4	Henan Xinlianxin International Trading Co., Ltd.
5	Huaqiang Chemical Group Stock Co., Ltd.
6	Hubei Yihua International Trading Co., Ltd.
7	Shandong Hongsheng Import and Export Co., Ltd
8	Sichuan Golden-Elephant Sincerity Chemical Co., Ltd
9	Weifang Changrun Chemical Co., Ltd.
10	Xinji Jiuli Chemical Co., Ltd.
11	Xinji Jiuyuan Chemical Co., Ltd
12	Xinjiang Jinjiang Chemical Industry Co., Ltd
13	Xinjiang Xinlianxin Energy Chemical Co., Ltd.
14	Xinjiang Yihua Chemical Industry Co., Ltd.
15	Yihua (Xinjiang) Material Trade Co., Ltd.
16	Shandong Hualu-Hengsheng Chemical Co., Ltd.
17	Sichuan Qing'an Materials Technology Co., Ltd.

iv. In accordance with Rule 6(4) of the Rules, questionnaires were also sent to the following known importers/users of the product under consideration in India, calling for the necessary information:

SN	Importers/users
1	Agarwal Life Sciences Private Limited
2	Alfa Ica (I) Limited
3	Balaji Action Buildwell Private Limited
4	Bloom Dekor Limited
5	Ecoboard Industries Limited

6	Exim Corp
7	Greenply Industries Limited
8	GVK Petrochemicals Private Limited
9	Hazel Mercantile Limited
10	HEF India Private Limited
11	Kishore Organics Private Limited
12	Managlam Timber Products Ltd.
13	Meghdoot Laminart Private Limited
14	Merino Industries Limited
15	Milton Laminates Limited
16	PPG Asian Paints Private Limited
17	Rushil Decor Limited
18	Sandeep Organics Private Limited
19	Stylam Industries Private Limited
20	Sundek India Limited
21	Surya Vikas Plywood Private Limited
22	The Bombay Burmah Trading Corporation
23	Virgo Industries

v. In response to the above, the following importers/users from India have responded and filed an importer/user questionnaire response:

SN	Importers/users
1	Merino Industries Limited
2	Century Plyboard (India) Limited
3	Greenlam Laminates Limited
4	Virgo Laminates Limited
5	Pristine Melamine LLP

vi. Sandeep Organics Private Limited has also made legal submissions in the present investigation. The importer has not filed any response.

vii. Submission has also been made by the Indian Laminates Manufacturer's Association and Federation of Indian Plywood & Panel Industry. These submissions have been considered in these final findings.

3.6 Registered Interested Parties

i. A list of all interested parties that registered themselves within the prescribed timeline was uploaded on the website. All registered interested parties were directed to circulate the non-confidential version of all their submissions in the present proceedings to all other interested parties.

3.7 Economic Interest Questionnaire

i. An economic interest questionnaire was issued to all the known producers and exporters, importers, and the domestic industry. The economic interest questionnaire was also shared with the administrative line ministry. The economic interest questionnaire was filed by the domestic industry, various participating users, importers and downstream association.

3.8 Oral hearing

i. In accordance with Rule 6(6), the Authority provided an opportunity to the interested parties to present their views orally in a hearing held on 23rd April 2026. The parties presenting their views in the oral hearing were directed to make written submissions of the views expressed orally, followed by rejoinder submissions, if any.

3.9 Disclosure statement and post-disclosure comments

i. In accordance with Rule 16 of the Rules, the essential facts of the investigation which formed the basis of the proposed determination were disclosed to the interested parties vide disclosure statement dated 18th September 2026, and the interested parties were allowed time up to 23rd September 2026 to offer their comments. Comments on the disclosure statement have been received from the interested parties. The post-disclosure comments, to the extent considered relevant, have been examined in section K of these final findings.

3.10 Further Procedure:

i. Foreign producers, exporters and other interested parties who have not responded, or have not supplied information relevant to this investigation, have been treated as non-cooperative.

ii. In accordance with Rule 6(8), wherever an interested party has refused access to or has otherwise not provided necessary information in a timely manner during the course of the present proceedings, or has significantly impeded the investigation, such parties have been considered as non-cooperative, and the findings have been recorded on the basis of the facts available.

iii. In accordance with Rule 7, the information provided by the interested parties on a confidential basis was examined with regard to the sufficiency of such confidentiality claims. On being satisfied, the confidentiality claims have been accepted wherever warranted, and such information has been considered confidential and not disclosed to the other interested parties. Wherever possible, parties providing information on a confidential basis were directed to provide a sufficient non-confidential version of the information filed on a confidential basis. Wherever information contained in this notification is based on confidential information provided by the interested parties, the Authority has protected confidentiality of such information while arriving at these findings. The authority has not disclosed any information, disclosure of which could compromise the confidentiality claims of the domestic industry or interested parties.

iv. In accordance with Rule 8, verification of the data provided by the domestic industry and other interested parties was conducted to the extent considered necessary for the present proceedings. The Authority has considered the verified data of the interested parties in its analysis in the present case.

v. The non-injurious price has been calculated based on the optimum cost of production and cost to produce & sell the domestic like article in India, based on the information furnished by the applicant and having regard to the Generally Accepted Accounting Principles (GAAP) and as per the principles laid down in Annexure III of the Rules.

vi. All the arguments raised and information provided by all the interested parties to the extent that the same is supported with evidence and considered relevant to the present investigation have been considered.

vii. "***" in these final findings represents information furnished by an interested party on a confidential basis and so considered under the Rules.

viii. The exchange rate adopted for the subject investigation is 1 US$=Rs 85.43, being the average of the exchange rates notified by the Central Board of Indirect Taxes and Customs under Section 14 of the Customs Act, 1962 for conversion of the value of imported goods, in force during the period of investigation. The same rate has been applied throughout these final findings.
(Source: https://foservices.icegate.gov.in/#/services/viewExchangeRate)

C. PRODUCT UNDER CONSIDERATION

C.1 Submission of the other interested parties

4. The other interested parties have made the following submissions with regards to the product under consideration and like articles.

   i. Melamine produced by the domestic industry is of higher purity and is produced through a urea-based route, while Chinese producers' production is coal-based.

   ii. The differences in the Urea and coal-based production directly affect cost and pricing and must be factored into any price comparability analysis.

C.2 Submission of the domestic industry

5. The domestic industry has made the following submissions with regards to the product under consideration and like articles.

   i. The interested parties have not placed any evidence on record to show that there are any material differences between the product produced by the domestic industry and that imported from China PR.

   ii. The differences in production processes or feedstock do not affect the product's essential characteristics, end-use, or substitutability, and the domestically produced and imported melamine remain commercially and technically interchangeable.

   iii. In all previous investigations, the Authority has consistently held that the product produced by the domestic industry and that imported from the subject country are like articles.

   iv. The product produced by the domestic industry is a like article to the product imported from the subject country.

C.3 Examination by Authority

6. The submissions made by the other interested parties and the domestic industry regarding the product under consideration and the like article have been examined and addressed hereunder.

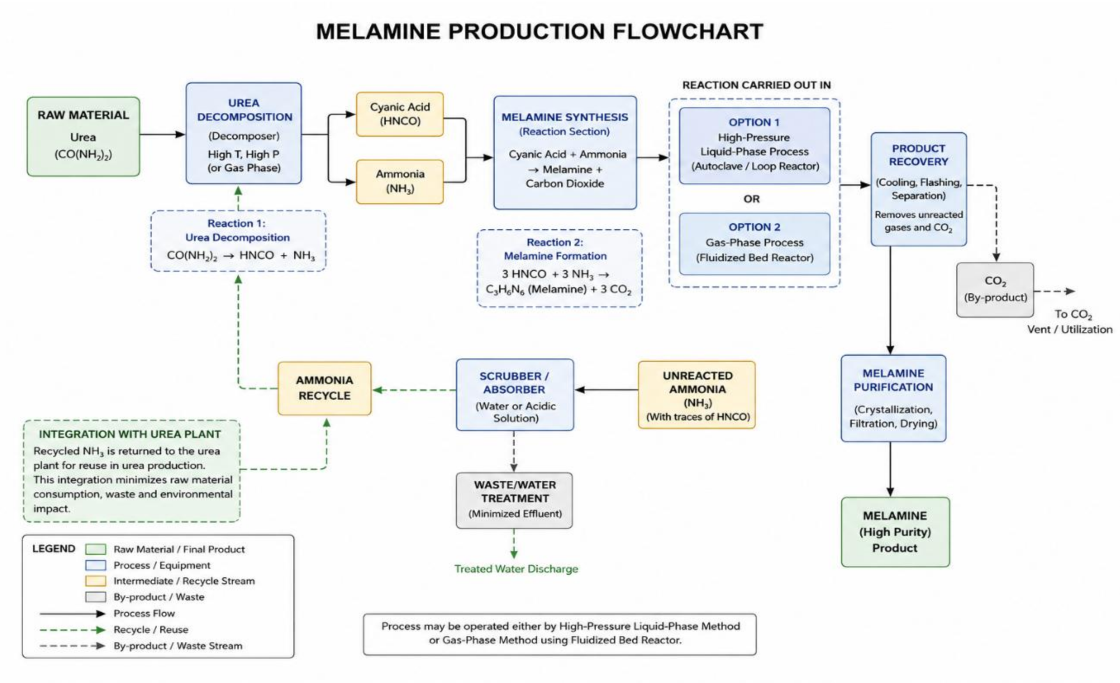
7. At the stage of initiation, the product under consideration was defined as follows:

> *"3. The product under consideration in the present investigation is "Melamine".*
>
> *4. Melamine formaldehyde resins produced using melamine and used for laminates offer good hardness, resistance to scratch, stain, water and heat. Laminates used in some industrial electrical applications possess high mechanical strength, good heat resistance and good electrical insulating properties.*
>
> *Melamine is classified under Chapter 29 of the Customs Tariff Act, 1975 under sub heading 2933 61 00. The customs classification is indicative only and is not binding on the scope of the product under consideration.*
>
> *The applicant has not proposed any PCN methodology. The interested parties are advised to furnish their comments/suggestions on the scope of product under consideration and PCN methodology within 15 days from the date of initiation of this investigation."*

8. The initiation notification invited all interested parties to file their comments on the product scope and PCN methodology within 15 days from the date of initiation. Apart from the domestic industry, none of the interested parties have filed any comments on the scope of the product under consideration and PCN methodology. Accordingly, vide notice dated 3rd November 2025, the Authority notified the same scope of product under consideration as notified in the initiation notification for the purpose of filing of response and it was also notified that there is no PCN methodology accepted in the present investigation.

Manufacturing process of the product under consideration.

9. Melamine is manufactured using urea as the primary raw material. In this process, urea is first decomposed into cyanic acid and ammonia. The cyanic acid then reacts with ammonia to form melamine, along with carbon dioxide as a by-product. Industrially, this reaction is carried out either through a high-pressure liquid-phase method or a gas-phase method using a fluidized bed reactor. The production process is typically integrated with urea plants to allow recycling of ammonia and to minimize waste and environmental impact.



Uses of Melamine.

10. Melamine is used in making melamine formaldehyde which is used in manufacturing of dinnerware, laminate flooring, dry erase boards, and insulation, in sound proofing material and in cleaning products.

Customs classification and customs policy for the product.

11. Melamine is classified under Chapter 29 of the Customs Tariff Act, 1975 under 29336100. The basic customs duty applicable to the subject goods during the period of investigation is 7.5%. The imports of the product under consideration are allowed under 'Open General License' (OGL) policy and there are no restrictions on the imports of the product under consideration. The customs classification is indicative only and not binding on the scope of the product under consideration.

Contention of the interested parties regarding difference in production process.

12. It has been claimed that melamine produced by the domestic industry is of higher purity as it is made from urea whereas the product imported from China is made from coal. The interested parties have however not shown any difference in physical and technical properties of the product. Nor the interested parties have identified different functions and uses of the two. It is noted that differences in manufacturing technology, feedstock or production process do not, by themselves, establish that the products differ in terms of their physical characteristics, technical specifications, end uses or substitutability. The mere use of different feedstocks or production technologies does not make the products different, unless it is established that the product itself has material differences in physical and technical properties. The product produced by the domestic industry and the product imported from the subject country possess the same essential characteristics and are commercially and technically interchangeable. As long as the two products perform the same function and are used for the same application, they are like articles. It is also seen that while an importer trader has claimed difference in the purity, no such claim has been made by either the participating producers from China or by users in India. The importer trader has not provided any information on the price difference arising from the purity.

13. It is also seen that similar submissions regarding differences in production technology were raised in the previous sunset review investigation. However, it was concluded that the product imported from China PR and the product manufactured by the domestic industry constituted a like article. The Authority noted the same in paragraph 14 of the Final Findings of the sunset review dated 23rd August, 2021, as under:

> *14. It has been alleged that there is a difference between the quality of the product produced by the domestic industry and that imported from China PR. An interested party has stated that the product of the domestic industry is of premium quality. A similar unsubstantiated claim was also raised in the previous Sunset Review investigation. Even in the present investigation, neither the importers nor any producer/exporter have demonstrated this difference in quality based on some empirical evidence. similarly, no substantive evidence has been provided to highlight the difference between high-pressure and low pressure Melamine. Therefore, in the absence of any verifiable*

evidence provided by any of the interested parties, the Authority could not consider this claim.

Thus, the Authority does not find any merit in the contention of the interested parties in the present investigation.

Like article by domestic industry.

14. It is noted that the subject goods produced by the domestic industry and those imported from the subject country are comparable in terms of characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable.

Scope of the product under consideration.

15. The Authority holds that the scope of the product under consideration is "Melamine" and that the product produced by the domestic industry is 'like article' to the product under consideration imported from the subject country in terms of Rule 2(d) of the Rules.

D. SCOPE OF DOMESTIC INDUSTRY AND STANDING

D.1 Submission of the other interested parties

16. No submissions have been made by the other interested parties with regard to the scope of domestic industry and its standing.

D.2 Submission of the domestic industry

17. The applicant has made the following submissions with respect to the domestic industry and standing:
    i. The present application has been filed by Gujarat State Fertilisers and Chemicals Limited (GSFC), who is the sole producer of the like article in India.
    ii. The domestic industry has neither imported the product from the subject country nor related to any producers/exporters from the subject country or importer in India.
    iii. The domestic industry is a public sector company incorporated in 1962, with the State of Gujarat holding approximately 37% of its total shareholding.

D.3 Examination by the Authority

18. Rule 2(b) of the anti-dumping rules defines domestic industry as below:

> *"(b) "domestic industry" means the domestic producers as a whole engaged in the manufacture of the like article and any activity connected therewith or those whose collective output of the said article constitutes a major proportion of the total domestic production of that article except when such producers are related to the exporters or importers of the alleged dumped article or are themselves importers thereof in such case the term ' domestic industry ' may be constructed as referring to the rest of the producers."*

19. The application has been filed by Gujarat State Fertilisers and Chemicals Limited. The applicant is not related to any importer in India or producers/exporters of the product under consideration in the subject country and has not imported the product under consideration from the subject country during the period of investigation.

<u>Requirement of Rule 2(b).</u>

20. The DG System data has been examined, and it is found that the applicant has not imported the product under consideration from the subject country or any other country during the period of investigation.

<u>Requirement of Rule 5.</u>

21. The applicant is the sole producer of the like article in India. The domestic industry accounts for 100% of the total Indian production. The domestic industry accounts for a major proportion in the Indian production of the like article.

<u>Domestic industry.</u>

22. In view of the above, the Authority holds that the applicant constitutes an eligible domestic industry within the meaning of Rule 2(b) of the Rules and that the application satisfies the standing requirements under Rule 5(3) of the Rules.

E. MISCELLANEOUS AND CONFIDENTIALITY ISSUES

E.1 Submission of the other interested parties

23. The other interested parties have made the following submission with respect to miscellaneous issues:

    i. Authority must independently assess the application and cannot automatically initiate an investigation based on the applicant's claims. The Authority is required to examine whether the evidence is accurate, adequate, and sufficient to establish a prima facie case on dumping, injury, and causal link. This assessment must be objective, unbiased, and based on proper scrutiny.

    ii. The applicant was previously found to be non-cooperative in a CVD investigation by the USDOC, where it denied access to its accounting records. Thus, the applicant's financial information may be unreliable.

    iii. The Government of India has not imposed anti-dumping duty on Melamine when the DGTR had earlier recommended the measures.

    iv. Due to ongoing geopolitical tensions, the Government of India has granted full customs duty exemption on critical petrochemical products.

    v. High-Level Committee on Non-Financial Regulatory Reforms recommended the revocation of quality control orders on various chemical products.

    vi. The application fails to provide sufficient evidence of dumping, particularly regarding export price and necessary adjustments.

    vii. There are material inconsistencies in the cost of sales furnished in Proforma IV-A in NCV. The NCV discloses two mutually contradictory indexed series.

    viii. The applicant has failed to disclose the import segregation methodology adopted for classifying imports into product under consideration and non-product under consideration.

    ix. Post-QCO implementation on plywood and panel production, which already increased raw material costs, increased melamine costs due to ADD would raise plywood and panel production costs further, reduce domestic and export competitiveness, and potentially increase dependence on imports.

E.2 Submission of the domestic industry

24. The domestic industry has made the following submission with respect to miscellaneous issues:

i. On the submission of the interested parties that the Authority has initiated the investigation without examination, the initiation notification confirms that the domestic industry submitted duly substantiated evidence of dumping, injury, and causal link, and the Authority was satisfied that a *prima facie* case existed under the applicable rules.

ii. While there has been a history of anti-dumping duties, the domestic industry's performance deteriorated over successive sunset reviews. Directorate of Revenue Intelligence (DRI) had found that the users had evaded measures.

iii. With regard to the submission of the other interested parties on the issue highlighting the countervailing duty investigation conducted by the United States Department of Commerce, the domestic industry notes that its data has been examined and verified for the purpose of present investigation. It is also seen that natural gas supplied under the APM policy was not used in the production of the subject goods.

iv. The applicant had provided all the relevant evidence, and the Authority found them to prima facie satisfy requirement of initiation.

v. The domestic industry has reported two separate costs of sales in Proforma IV-A in NCV. The first figure represents the total cost of sales, which includes both domestic sales and export sales. The second figure represents the cost of sales relating only to domestic sales.

vi. The domestic industry has relied on imports as per DGCI&S published data. The domestic industry did not have access to DGCI&S transaction wise data. Since the transaction wise data was not available, there was no question of providing import segregation methodology.

E.3 Examination by the Authority

Submissions on inconsistency in reporting cost of sales in Proforma IV A

25. With regard to the submissions of the interested parties concerning the issue, the domestic industry has clarified that it has reported two separate costs of sales in the Proforma IV A. The first figure reported represents the total cost of sales, which includes both domestic sales and export sales. The second figure represents the cost of sales relating only to domestic operations. The Authority has for the purpose of examining injury only considered verified information on domestic operations for the present investigation.

Submissions on initiation without prima facie evidence in the application.

26. With regard to the above submissions, it is seen the domestic industry had provided sufficient information to justify initiation and the investigation was initiated by the Authority after satisfying that there was sufficient prima-facie evidence to justify initiation. As already noted in the initiation notification, it was on the basis of the duly substantiated written application submitted by the applicant and having reached satisfaction based on the *prima facie* evidence submitted concerning the dumping of the product under consideration and the consequential injury to the domestic industry that the Authority initiated investigation to determine the existence, degree, and effect of the alleged dumping with respect to the product under consideration.

Submissions on reliability of information submitted by the domestic industry

27. With regard to the above submissions, it is noted that the data of the domestic industry has been verified for the purpose of the present investigation. Additionally, the domestic industry has clarified that the natural gas supplied under the APM policy was not used in the production of the subject goods. The natural gas used for the production of subject goods is priced differently than the natural gas used for production of other products.

Submissions regarding non-imposition of anti-dumping duty in the past

28. The Authority has considered the submissions of certain interested parties to the effect that, notwithstanding the recommendations made by the Designated Authority in earlier investigations concerning the subject goods, anti-dumping duties were not imposed by the Central Government. The interested parties have sought to draw definitive inferences as to the reasons for such non-imposition and have contended that duties ought not to be recommended in the present proceedings on that account.

29. The Authority notes, at the outset, that the said submissions are not supported by any evidence, and that there is nothing on the record of the present investigation which substantiates the reasons attributed by the interested parties for the non-imposition of duties in the past. The contentions are, therefore, in the nature of mere assertions and cannot be accepted as a basis for any determination in these proceedings.

30. The Authority further observes that, under the scheme of Section 9A of the Customs Tariff Act, 1975 read with the Rules made thereunder, the functions of recommendation and of

imposition of anti-dumping duty are distinct and rest with distinct authorities. The Designated Authority is charged with the conduct of the investigation and with recording its findings and recommendation on the basis of the facts and evidence on record, whereas the decision to impose, or not to impose, anti-dumping duty vests in the Central Government. The exercise of the latter discretion in a particular case, or its non-exercise, does not curtail or govern the statutory mandate of the Authority in a subsequent investigation.

31. It is well settled that each anti-dumping investigation is independent and is to be determined on its own facts, on the basis of the record and the period of investigation pertaining to that proceeding. The circumstance that duties were not imposed pursuant to recommendations made in earlier investigations whether in respect of the subject goods or of other products during the relevant period cannot operate as a bar to, or as a factor detracting from, the making of an appropriate recommendation in the present case. The Authority also notes that, during the same period, positive recommendations made by it in respect of other products have been accepted and given effect to by the Central Government.

32. In view of the foregoing, the Authority holds that there is no infirmity or inappropriateness in recommending the imposition of anti-dumping duty pursuant to the present proceedings on account of the history of non-imposition of duties in earlier investigations, and the said submissions of the interested parties are accordingly not accepted.

<u>Submissions on removal of quality control order on other chemical products.</u>

33. As regards submission on removal of quality control order on other products, the Authority notes the implementation of revocation of quality control order cannot form the basis for denying relief to the domestic industry suffering injury due to dumping. Trade remedial measures are imposed to address unfair trade practices and to remedy injury caused to the domestic industry. It is also seen that those quality control order pertain to non-product under consideration. Therefore, the contention of the interested parties cannot be accepted.

<u>Submissions on import segregation methodology.</u>

34. With regard to the submission on import segregation methodology adopted in the present investigation, the Authority has relied on the DG system transaction wise data for the HS code mentioned in the initiation notification. Only the transactions with description Melamine have been considered for the purpose to ascertain volume and value of imports.

35. The non-confidential version of the information provided by various interested parties was made available to all interested parties as per Rule 6(7) and Trade Notice 10/2018 dated 7th September 2018. Rule 7 of the Rules provides that:

> *"Confidential information: (1) Notwithstanding anything contained in sub-rules (2), (3) and (7) of rule 6, sub-rule(2) of rule12,sub-rule(4) of rule 15 and sub-rule (4) of rule 17, the copies of applications received under sub-rule (1) of rule 5, or any other information provided to the designated authority on a confidential basis by any party in the course of investigation, shall, upon the designated authority being satisfied as to its confidentiality, be treated as such by it and no such information shall be disclosed to any other party without specific authorization of the party providing such information.*
>
> *(2) The designated authority may require the parties providing information on a confidential basis to furnish a non-confidential summary thereof, and if, in the opinion of a party providing such information, such information is not susceptible to summary, such party may submit to the designated authority a statement of reasons why summarization is not possible.*
>
> *(3) Notwithstanding anything contained in sub-rule (2), if the designated authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorise its disclosure in a generalized or summary form, it may disregard such information."*

36. The submissions made by the domestic industry and the participating exporters concerning confidentiality, to the extent considered relevant, were examined by the Authority and addressed accordingly. It is seen that the domestic industry and interested

parties have claimed confidentiality on information, such as sales volumes, market share, stocks, selling price, costs, profits, cash profits, return on investment, non-injurious price, cost of production related information, normal value, export price, dumping margin, injury margin, price adjustments, profit related information, sales channels, sales & purchase documents, customers and suppliers names, etc. It is also seen that wherever information is for an injury period, the same has been provided on an indexed basis. Information such as the normal value, export price, dumping margin and injury margin has been disclosed in range by the applicant. The Authority notes that all the interested parties have claimed their business-related sensitive information as confidential. On being satisfied, the Authority has accepted the confidentiality claims, wherever warranted, and such information has been considered confidential and not disclosed to the other interested parties.

F. DETERMINATION OF NORMAL VALUE, EXPORT PRICE AND DUMPING MARGIN IN THE PRESENT INVESTIGATION.

F.1 Submission of the other interested parties

37. The other interested parties have made the following submissions concerning normal value, export price and dumping margin:

i. Under the Customs Tariff Act, 1975, the Anti-Dumping Rules, 1995, and Article 6.10 of the WTO Anti-Dumping Agreement, individual examination and the determination of exporter-specific dumping margins constitute the preferred approach.

ii. Sampling is an exception and may be adopted only where individual examination is impracticable due to the large number of interested parties. Any decision to resort to sampling must be supported by a reasoned justification.

iii. WTO, Indian, EU, and US jurisprudence require sampling to be representative, transparent, and employed only in exceptional circumstances. Consequently, the adoption of sampling may expose importers to unrepresentative residual duties.

iv. The Authority has previously conducted desk-based verification and individual examinations in investigations involving a similar or even greater number of exporters.

v. All exporting producers have already submitted complete and timely questionnaire responses. Excluding cooperative, non-sampled exporters from individual examination would effectively deprive them of their right to an individual determination.

vi. The domestic industry's determination of normal value is methodologically defective, as it is not based on actual domestic prices in China PR.

vii. The domestic industry lacks to provide sufficient evidence to support the adjustments claimed for determining the net export price, particularly for ocean freight, marine insurance, commission, bank charges, port expenses, credit cost, and inventory carrying cost.

viii. Where imports are purchased directly from producers without intermediaries, and credit costs are unwarranted because transactions are typically conducted through letters of credit or advance payments.

ix. Inventory carrying costs should not be deducted from export prices and would improperly reduce ex-factory realizations.

x. No supporting evidence has been provided for export price adjustment. Inventory carrying cost, are improperly included and should not be deducted from export price at all.

F.2 Submission of the domestic industry

38. The domestic industry has made the following submissions concerning normal value, export price and dumping margin:

i. The product has a long history of being dumped in the Indian market. In all the investigations conducted in past, the Authority has found continued dumping.

ii. Given the large number of participating foreign producers/exporters, the Authority should adopt sampling.

iii. The Authority has applied sampling in several investigations involving large number of exporters. Sampling is warranted in the present case to facilitate timely completion of the investigation and efficient determination of dumping and injury margins.

iv. Individual examination of all respondents would be unduly burdensome in view of the high level of participation.

v. Since China is presumed to be a non-market economy, Chinese producers are required to establish that their domestic industry operates under market economy conditions.

vi. None of the Chinese producers in the present investigation have filed a market economy treatment (MET) questionnaire. Therefore, the Authority must determine the normal value in accordance with Paragraph 7 of Annexure I to the Anti-Dumping Rules.

vii. The domestic industry does not have access to the actual expenses incurred by the exporters towards ocean freight, marine insurance, bank charges, port expenses, inland freight, handling charges, and other related costs. Accordingly, the necessary adjustments were made on an estimated basis.

viii. On the submission that no evidence has been provided for adjustments demanded in the calculation of export price, the domestic industry relied on estimated data for expenses such as marine insurance, bank charges, freight, handling, inventory holding, and commissions, since actual exporter data was unavailable.

ix. On the submission that inventory carrying cost should not be adjusted, at the stage of initiation, the Authority did not consider inventory carrying costs as an adjustment for arriving at the ex-factory export price level.

x. Inventory carrying costs, being post-sale expenses, should be considered to ensure a fair comparison between the normal value and the export price at the same level of trade. Such an approach is also followed in jurisdictions such as the United States and Brazil.

F.3 Examination by the Authority

39. Under Section 9A (1)c, normal value in relation to an article means:

"i) The comparable price, in the ordinary course of trade, for the like article, when meant for consumption in the exporting country or territory as determined in accordance with the rules made under sub-section (6), or
ii) when there are no sales of the like article in the ordinary course of trade in the domestic market of the exporting country or territory, or when because of the particular market situation or low volume of the sales in the domestic market of the exporting country or territory, such sales do not permit a proper comparison, the normal value shall be either:

(a)comparable representative price of the like article when exported from the exporting country or territory or an appropriate third country as determined in accordance with the rules made under sub-section (6); or
(b) the cost of production of the said article in the country of origin along with reasonable addition for administrative, selling and general costs, and for profits, as determined in accordance with the rules made under sub-section (6);
Provided that in the case of import of the article from a country other than the country of origin and where the article has been merely transhipped through the country of export or such article is not produced in the country of export or there is no comparable price in the country of export, the normal value shall be determined with reference to its price in the country of origin."

40. The Authority notes that the following producers/exporters of the subject goods from subject country have filed exporter's questionnaire responses:

i. Brothers Wing International Trading Co. Ltd.
ii. Golden Elephant International Supply Chain Management Co. Ltd.
iii. Harvest International Business Limited
iv. Henan Xinlianxin International Trading Co., Ltd.
v. Huaqiang Chemical Group Stock Co., Ltd.
vi. Hubei Yihua International Trading Co., Ltd.
vii. Shandong Hongsheng Import and Export Co., Ltd
viii. Sichuan Golden-Elephant Sincerity Chemical Co., Ltd
ix. Weifang Changrun Chemical Co., Ltd.
x. Xinji Jiuli Chemical Co., Ltd.
xi. Xinji Jiuyuan Chemical Co., Ltd
xii. Xinjiang Jinjiang Chemical Industry Co., Ltd
xiii. Xinjiang Xinlianxin Energy Chemical Co., Ltd.
xiv. Xinjiang Yihua Chemical Industry Co., Ltd.
xv. Yihua (Xinjiang) Material Trade Co., Ltd.
xvi. Shandong Hualu-Hengsheng Chemical Co., Ltd.
xvii. Sichuan Qing'an Materials Technology Co., Ltd.

F.3.1 Determination of sampling

41. As per the provisions of Rule 17, the Authority is required to determine individual dumping margins for all producers/exporters who have filed questionnaire responses. However, where a large number of producers/exporters from China PR have participated in the investigation and filed questionnaire responses, the Authority may resort to sampling by limiting its examination to a reasonable number of producers/exporters. Rule 17(3) provides as follows in this regard.

> *"17(3) The designated authority shall determine an individual margin of dumping for each known exporter or producer concerned of the article under investigation:*
>
> ***Provided** that in cases where the number of exporters, producers, importers or types of articles involved are so large as to make such determination impracticable, it may limit its findings either to a reasonable number of interested parties or articles by using statistically valid samples based on information available at the time of selection, or to the largest percentage of the volume of the exports from the country in question which can reasonably be investigated, and any selection, of exporters, producers, or types of articles, made under this proviso shall preferably be made in consultation with and with the consent of the exporters, producers or importers concerned:*
>
> ***Provided** further that the designated authority shall, determine an individual margin of dumping for any exporter or producer, though not selected initially, who submit necessary information in time, except where the number of exporters or producers are so large that individual examination would be unduly burdensome and prevent the timely completion of the investigation."*

42. It is noted that while initiation notification did not contain a separate request for filing of quantity and value information for the purpose of filing complete questionnaire responses and all producers were asked to file questionnaire responses, post-initiation, 9 producers and their 8 exporters/traders from the subject country participated and submitted questionnaire responses. The table below shows the export volume of all the participating producers in the present investigation.

SN	Company Name	Total Volume exported to India (MT) as per QR	% share of QR volume in total imports from China PR	Total Volume exported to India (MT) as per DG System	% Share of Total Imports into India as per DG System
1.	M/s Xinjiang Yihua Chemical Industry Co., Ltd.	***	***	***	***
2.	M/s Xinjiang Xinlianxin Energy Chemical Co., Ltd.	***	***	***	***
3.	M/s Huaqiang Chemical Group Stock Co., Ltd.	***	***	***	***
4.	M/s Xinji Jiuli Chemical Co., Ltd.	***	***	***	***
5.	M/s Xinji Jiuyuan Chemical Co., Ltd.	***	***	***	***
6.	Shandong Hualu-Hengsheng Chemical Co., Ltd.	***	***	***	***
7.	M/s Sichuan Qing'an Materials Technology Co., Ltd.	***	***	***	***
8.	M/s Sichuan Golden-Elephant Sincerity Chemical Co., Ltd.	***	***	***	***
9.	M/s Xinjiang Jinjiang Chemical Industry Co.,Ltd.	***	***	***	***
	Total	***	***	***	***

43. Having regard to the large number of participating entities and the nature and extent of information required to be examined and verified in the present investigation, the Authority considered that individual examination of all participating producers/exporters was not reasonably practicable within the meaning of Rule 17(3) of the Rules.

44. Accordingly, the interested parties were informed of the proposed sampling exercise along with the list of producers from China proposed to be sampled. A notice was issued dated 23rd January 2026 and an opportunity was provided to submit comments on the proposed methodology. The interested parties claimed that number of responding producers/exporters is not so large as to make individual examination impracticable and sought individual determination of dumping margin for all exporters. The Authority however holds that there are a large number of responding parties. Further, Rule 17(3) does not prescribe a fixed numerical threshold. It was unduly burdensome to individually examine all the responding exporters.

45. Certain interested parties have contended that sampling is an exception to the general rule of individual examination and may be adopted only where examination of all interested parties is impracticable due to their large number. It is noted that Rule 17(3) of the anti-dumping rules specifically permit resorting to sampling where the number of producers and exporters is so large that individual examination of all participating entities is unduly burdensome and not reasonably practicable. In the present case, nine producers from China PR, along with their related exporters/traders, have participated in the investigation and filed questionnaire responses. The test under Rule 17(3) is whether, having regard to the number of responding parties and the information to be examined and verified, individual examination of all of them is impracticable and would be unduly burdensome and prevent the timely completion of the investigation. The fact that in certain other investigations the Authority did not resort to sampling does not restrict the statutory discretion available under Rule 17(3). It is considered appropriate to limit the individual examination to a reasonable number in order to complete the investigation within the time limit prescribed under Rule 17(1).

46. With regard to the objection that sampling cannot be resorted to after receipt of complete questionnaire responses and nearly ten months after initiation, it is noted that the investigation was initiated on 29th September 2025 and the sampling notice was issued on 23rd January 2026 and therefore there is no gap of 10 months. It is noticed that Rule 17(3) does not provide for the stage of the investigation at which sampling should be undertaken and does not contain any prohibition on undertaking sampling after the filing of questionnaire responses. The second proviso to Rule 17(3) itself recognises that

individual examination may be declined where the number of exporters is so large that such examination would be unduly burdensome and prevent timely completion of the investigation. Mere filing of responses by the exporters does not divest the Authority of its statutory discretion.

47. The Authority considered sampling of producers from China PR. After receiving comments from various parties, the sampled producers were notified vide notice dated 23rd January 2026. The sample considered was based on the volume of exports to India, with the producers having the largest volume of exports, being considered as a part of the sample, in terms of the first proviso to Rule 17(3), i.e., the largest percentage of the volume of exports from the subject country which could reasonably be investigated. The following producers were sampled.

S.No.	Sampled Producer/ Exporter	Total Volume exported to India (MT) as per DG System	% Share of Total Imports into India as per DG System
1.	M/s Xinjiang Yihua Chemical Industry Co., Ltd.	***	***
2.	M/s Xinjiang Xinlianxin Energy Chemical Co., Ltd.	***	***
3.	M/s Huaqiang Chemical Group Stock Co., Ltd.	***	***

48. The dumping margin for the non-sampled cooperating producers/exporters has been determined on the basis of the weighted average dumping margin of the sampled producers, consistent with Article 9.4 of the Anti-Dumping Agreement. For non-cooperative producers/exporters, the dumping margin has been determined on the basis of facts available in terms of Rule 6(8) of the Rules.

F.3.2 Determination of normal value for China PR.

49. Article 15 of the China's Accession Protocol to the WTO provides as follows:

"Article VI of the GATT 1994, the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 ("Anti-Dumping Agreement") and the SCM Agreement shall apply in proceedings involving imports of Chinese origin into a WTO Member consistent with the following.

15. (a) In determining price comparability under Article VI of the GATT 1994 and the Anti-Dumping Agreement, the importing WTO Member shall use either Chinese prices or costs for the industry under investigation or a methodology that is not based on a strict comparison with domestic prices or costs in China based on the following rules:

(i) If the producers under investigation can clearly show that market economy conditions prevail in the industry producing the like product with regard to the manufacture, production and sale of that product, the importing WTO Member shall use Chinese prices or costs for the industry under investigation in determining price comparability;

(ii) The importing WTO Member may use a methodology that is not based on a strict comparison with domestic prices or costs in China if the producers under investigation cannot clearly show that market economy conditions prevail in the industry producing the like product with regard to manufacture, production and sale of that product.

(b) In proceedings under Parts II, III and V of the SCM Agreement, when addressing subsidies described in Articles 14(a), 14(b), l4(c) and l4(d), relevant provisions of the SCM Agreement shall apply; however, if there are special difficulties in that application, the importing WTO Member may then use methodologies for identifying and measuring the subsidy benefit which take into account the possibility that prevailing terms and conditions in China may not always be available as appropriate benchmarks. In applying such methodologies, where practicable, the importing WTO Member should adjust such prevailing terms and conditions before considering the use of terms and conditions prevailing outside China.

(c) The importing WTO Member shall notify methodologies used in accordance with subparagraph (a) to the Committee on Anti-Dumping Practices and shall notify methodologies used in accordance with subparagraph (b) to the Committee on Subsidies and Countervailing Measures.

(d) Once China has established, under the national law of the importing WTO Member, that it is a market economy, the provisions of subparagraph (a) shall be terminated provided that the importing Member's national law contains market economy criteria as of the date of accession. In any event, the provisions of subparagraph (a)(ii) shall expire 15 years after the date of accession. In addition, should China establish, pursuant to the national law of the importing WTO Member, that market economy conditions prevail in a particular industry or sector, the non-market economy provisions of subparagraph (a) shall no longer apply to that industry or sector."

50. Authority has noted that while the provision contained in Section 15 (a)(ii) has expired on 11.12.2016, the provision under Article 2.2.1.1 of WTO Anti-dumping Agreement read with the obligation under Section 15(a)(i) of the Accession Protocol require criterion stipulated in paragraph 8 of Annexure I of the Rules to be satisfied through the information/data to be provided in the supplementary questionnaire on claiming market economy treatment. It is noted that since the responding producers/exporters from China PR have not submitted response to the supplementary questionnaire the normal value computation is required to be done as per the provisions of paragraph 7 of Annexure I of the Rules.

51. As none of the producers from China PR have claimed determination of normal value on the basis of their own data/information, the normal value has been determined in accordance with paragraph 7 of Annexure I of the Rules, which reads as under:

"7. In case of imports from non-market economy countries, normal value shall be determined on the basis of the price or constructed value in a market economy third country, or the price from such a third country to other countries, including India, or where it is not possible, on any other reasonable basis, including the price

actually paid or payable in India for the like product, duly adjusted if necessary, to include a reasonable profit margin. An appropriate market economy third country shall be selected by the designated authority in a reasonable manner [keeping in view the level of development of the country concerned and the product in question and due account shall be taken of any reliable information made available at the time of the selection. Account shall also be taken within time limits, where appropriate, of the investigation if any, made in similar matter in respect of any other market economy third country. The parties to the investigation shall be informed without unreasonable delay the aforesaid selection of the market economy third country and shall be given a reasonable period of time to offer their comments."

52. It is noted that paragraph 7 of Annexure-I to the AD Rules stipulates three methods of constructing the normal value for non-market economies: (a) on the basis of price or constructed value in a market economy third country; (b) export price from a third country to other countries, including India; and (c) on any other reasonable basis, including the price actually paid or payable in India for the like product, duly adjusted, if necessary, to include a reasonable profit margin. The Authority notes that under the provisions of paragraph 7 of Annexure-I to the AD Rules, the normal value must be determined on the basis of the price or constructed value in a surrogate country, the price of the exports from such country to other countries, including India, or on any other reasonable basis.

53. It is noted that none of the interested parties have provided any information with regard to domestic price or constructed value or export price of the product from an appropriate market economy third country. In terms of paragraph 7 of Annexure I, the interested parties were informed, at the stage of initiation, of the proposal regarding the selection of an appropriate market economy third country and were given a reasonable opportunity to offer their comments. Since none of the interested parties has provided any verifiable information on the domestic price, constructed value or export price of the product in an appropriate market economy third country, and no such reliable information is otherwise available on record, the normal value could not be determined on the first two bases provided in paragraph 7.

54. Therefore, the normal value for China PR has been determined on "any other reasonable basis" in terms of paragraph 7 of Annexure I to the Rules, by way of a constructed normal value. Accordingly, the Authority has constructed the normal value for all sampled producers/exporters on the basis of the international price of the principal raw material(s) consumed in the manufacture of the PUC, the best available information regarding the consumption norms of other raw materials, utilities and other inputs, and the conversion cost, together with reasonable additions for selling, general and administrative expenses and a reasonable margin of profit. The normal value so determined is given below in the dumping margin table.

F.3.3 Export price for China

a. Xinjiang Yihua Chemical Industry Co. Ltd., Yihua (Producer) (Xinjiang) Material Trade Co., Ltd.(Trader) , and Hubei Yihua International Trading Co., Ltd (Trader).

55. The following three companies have filed questionnaire response as part of Xinjiang Yihua group.
    a) Xinjiang Yihua Chemical Industry Co. Ltd. (Producer & exporter)
    b) Yihua (Xinjiang) Material Trade Co. (Exporter)
    c) Hubei Yihua International Trading Co. Ltd. (Exporter)

56. The export channels of the producers are as shown below
    a. Xinjiang Yihua Chemical Industry Co. Ltd. → Unrelated customers.
    b. Xinjiang Yihua Chemical Industry Co. Ltd. → Yihua (Xinjiang) Material Trade Co. → Unrelated customers.
    c. Xinjiang Yihua Chemical Industry Co. Ltd. → Yihua (Xinjiang) Material Trade Co. → Hubei Yihua International Trading Co. Ltd. → Unrelated customers.

57. During the POI period, Xinjiang Yihua Chemical Industry Co., Ltd., China PR, has sold *** MT of subject good of invoice value as ***RMB to India. Out of which company has sold ***MT directly to unrelated buyers in India and the rest of the quantity (***MT) has been sold to India indirectly through a related exporter/trader namely, Yihua (Xinjiang) Material Trade Co., Ltd.

58. The subject goods (***MT) sold to Yihua (Xinjiang) Material Trade Co., Ltd., by Xinjiang Yihua Chemical Industry Co., Ltd., China PR has been further resold to another related exporter/trader namely, Hubei Yihua International Trading Co., Ltd., and Hubei Yihua International Trading Co., Ltd., has ultimately sold (***MT) to India to unrelated buyers in India.

59. It is further noted that Xinjiang Yihua Chemical Industry Co., Ltd., China PR has sold ***MT directly to unrelated buyers in India (as reported in Appendix-3A of Xinjiang Yihua Chemical Industry Co., Ltd.) but one of the transactions of (***MT) which commercial invoice was raised outside the POI period date (Invoice no. ***-V and invoice date ***) but was accounted for within the POI in the books of the company. The same quantity (***MT) has not been considered for the calculation of ex-factory export price and landed value.

60. The producer/exporter has claimed adjustment on account to ocean freight & insurance, inland transportation, port and other related expenses and credit cost. The same has been taken into account after desk verification to workout ex-factory export price level, and ex-factory export price so determined is as shown in the Dumping Margin Table below:

b. Xinjiang Xinlianxin Energy Chemical Co., Ltd.,China PR (producer), Harvest International Business Ltd (Trader) ., and Henan Xinlianxin International Trading Co.,Ltd (Trader)

61. The following three companies have filed questionnaire response as part of Xinjiang Xinlianxin group.
   a) Xinjiang Xinlianxin Energy Chemical Co. Ltd
   b) Harvest International Business Ltd.
   c) Henan Xinlianxin International Trading Co., Ltd.

62. The export channels of the producers are as shown below
   a. Xinjiang Xinlianxin Energy Chemical Co. Ltd → Harvest International Business Ltd. → Unrelated customers.
   b. Xinjiang Xinlianxin Energy Chemical Co. Ltd → Henan Xinlianxin International Trading Co., Ltd → Unrelated customers.

63. During the POI period, Xinjiang Xinlianxin Energy Chemical Co., Ltd., China PR, has sold ***MT of subject good of invoice value as ***RMB to India indirectly through two related exporters/traders namely, Harvest International Business Ltd., and Henan Xinlianxin International Trading Co., Ltd.

64. Xinjiang Xinlianxin Energy Chemical Co., Ltd., China PR has sold ***MT of subject goods to Harvest International Business Ltd., out of which Harvest International Business Ltd., has sold ***MT directly to Unrelated buyers in India and rest of quantity (***MT) has been sold to India indirectly through un unrelated exporter/trader namely, United Raw Material Pte. Ltd., Singapore.

65. It is further submitted that Xinjiang Xinlianxin Energy Chemical Co., Ltd., China PR has sold ***MT of subject goods to Henan Xinlianxin International Trading Co., Ltd., out of which the company has sold ***MT directly to unrelated buyers in India and the rest of the quantity (***MT) has been sold to India indirectly through two unrelated exporters/traders namely, Cosmos Vu Limited, Hong Kong and United Raw Material Pte. Ltd., Singapore. It is noted that these two traders did not submit required questionnaire response, and hence treated as non-cooperative by the Authority.

66. All these producer/exporters have filed their exporter questionnaire responses with the DGTR except, Cosmos Vu Limited, Hong Kong and United Raw Material Pte. Ltd., Singapore. With regard to quantity (***MT) exported to India through these two unrelated exporters/traders, appropriate adjustments on the basis of facts available have been made to workout ex-factory export price and landed value. Authority has determined the ex-factory export price level based on the adjustments claimed by the producer/exporters have on account to inland transportation and port and other related expenses. The ex factory price so determined is shown in the Dumping Margin Table below:

c. <u>Huaqiang Chemical Group Stock Co. Ltd.</u>

67. Huaqiang Chemical Group Stock Co. Ltd. is a producer of the product under consideration and has filed a questionnaire response. During the POI, Huaqiang Chemical

Group Stock Co., Ltd., China PR has sold ***MT subject goods of invoice value *** US$ to unrelated buyers in India.

68. The producer/exporter has claimed adjustments on account to ocean freight, overseas insurance, inland transportation, port and other related expenses, credit cost and bank charges. The Authority conducted a desk verification of the information provided by the producer. Additional/supplementary information was sought to the extent deemed necessary. The net export price after taking all adjustments claimed, and verified were determined, and is shown in the table below.

d. <u>Non-sampled cooperating producers/exporters</u>

69. The dumping margin for non-sampled cooperating producers/exporters has been determined in accordance with the sampling methodology adopted by the Authority. The dumping margin for such producers/exporters has been considered on the basis of the weighted average dumping margin determined for the sampled cooperating producers/exporters, as considered appropriate by the Authority. The list of non-sampled cooperating producers is as follows:

a. Sichuan Golden-Elephant Sincerity Chemical Co., Ltd
b. Weifang Changrun Chemical Co., Ltd.
c. Xinji Jiuli Chemical Co., Ltd.
d. Xinji Jiuyuan Chemical Co., Ltd
e. Xinjiang Jinjiang Chemical Industry Co., Ltd
f. Shandong Hualu-Hengsheng Chemical Co., Ltd.

e. <u>Non-cooperative producers/exporters</u>

70. The normal value and export price for non-cooperative producers/exporters from China PR has been determined on the basis of facts available in terms of Rule 6(8) of the Rules.

F.3.4 Dumping margin

71. Considering the normal value and the export price as determined above, the dumping margin has been determined and is shown below.

DUMPING MARGIN						
SN	Name of Producer	Constructed Normal Value	Export Price	Dumping Margin	Dumping Margin	Dumping Margin
		($/MT)	($/MT)	($/MT)	(%)	(Range)
1	Huaqiang Chemical Group Stock Co., Ltd.	***	***	***	***	40-50
2	Xinjiang Yihua Chemical Industry Co., Ltd.	***	***	***	***	50-60
3	Xinjiang Xinlianxin Energy Chemical Co., Ltd.	***	***	***	***	40-50
4	Non-sampled cooperating producers*	***	***	***	***	40-50
5	Any other producer	***	***	***	***	60-70

*Non-sampled cooperative producers -

a) Sichuan Golden-Elephant Sincerity Chemical Co., Ltd
b) Weifang Changrun Chemical Co., Ltd.
c) Xinji Jiuli Chemical Co., Ltd.
d) Xinji Jiuyuan Chemical Co., Ltd
e) Xinjiang Jinjiang Chemical Industry Co., Ltd
f) Shandong Hualu-Hengsheng Chemical Co., Ltd.

G. ASSESSMENT OF INJURY AND CAUSAL LINK

G.1 Submission of the other interested parties

72. The other interested parties have made the following submissions with regard to injury and causal link:

i. Imports are not displacing domestic production but are necessary to meet domestic demand.
ii. Domestic industry has been able to sell most of its output and reduce inventory levels.
iii. Both export and domestic sales of the domestic industry have declined in a similar manner, reflecting a broader global trend rather than injury caused by imports.
iv. The import prices from the subject country are comparable to those from other countries.
v. Negative price undercutting demonstrates that import prices are higher than the domestic selling prices.
vi. In 2021-22, melamine prices were inflated due to an exceptional global price spike. Reliance on such an abnormal year distorts the assessment of price effects.
vii. The Russia-Ukraine conflict significantly affected the melamine production chain. Disruptions in global natural gas and fertiliser supply chains directly impacted production costs.
viii. In the melamine investigation conducted by the European Union, acknowledged the distorted pricing environment prevailing in 2021-22. The elevated prices during that period were temporary and driven by extraordinary global events, including COVID-19 disruptions and the Russia-Ukraine conflict.
ix. Any decline in the domestic industry performance is attributable to factors such as fluctuations in raw material and natural gas prices, policy changes, currency risks, and subsidy-related issues.
x. Natural gas is a critical input in the production of melamine, as it is used not only for energy generation but also forms part of the upstream production chain for ammonia and urea. Accordingly, its cost has a direct bearing on the cost of production.
xi. The procurement of natural gas is subject to specific pricing and end-use conditions, including government directives and allocation rules, as recognised by judicial precedent. Therefore, the source, pricing mechanism, allocation between products, and accounting treatment of natural gas require verification.
xii. The injury alleged by the domestic industry is attributable to its own logistical and packaging limitations, as it supplies melamine only in 50 kg bags and does not offer bulk packaging options. In contrast, Chinese suppliers provide melamine in both 50 kg bags and jumbo bags, thereby offering greater flexibility to downstream users.

xiii. The absence of jumbo bag packaging results in higher manual handling requirements, increased packaging costs, transport inefficiencies, and higher unloading and storage costs. Consequently, the applicant incurs a cost disadvantage of approximately Rs. 1.5-2 per kg, making its product inherently more expensive on a delivered and consumption basis.

xiv. The Authority, in the previous investigation, observed that Plants I and II were discontinued due to higher production costs, whereas Plant III operated at high-capacity utilisation because of its cost advantage. There is no evidence of any change in these underlying cost or technological conditions.

xv. Plants I and II have remained idle since April 2021, owing not to imports but to structural and technological disadvantages.

xvi. These plants employ older Chemie-Linz technology, whereas Plant III is based on the more efficient Casale LEM technology, which offers lower energy consumption, higher conversion efficiency, better product quality, and lower operating costs.

xvii. The domestic industry Plant III enjoys significant advantages due to the Casale LEM technology, particularly in terms of energy efficiency and process integration benefits.

xviii. Plant III was specifically designed to avoid the costly revamping of the existing urea-based infrastructure associated with Plants I and II.

xix. Injury to the applicant is attributable on account of failure of the domestic industry to expand capacity during the injury period and its operational inefficiencies, reduction in workforce accompanied by an increase in wages per employee and increase in exports by the domestic industry during the same period.

xx. Despite the imposition of anti-dumping duties for nearly 17 years, the domestic industry's production has shown only modest growth. Such protection has not translated into meaningful capacity expansion.

xxi. The Authority's continued adoption of a 22% return on capital employed for the calculation of the non-injurious price is inflated and inconsistent with prevailing economic conditions and the legal framework under the Rules.

xxii. Courts in Bridgestone Tyres and Hyosung Corporation have held that such a return may distort the injury analysis.

xxiii. GSFC is highly export oriented.

xxiv. Reliance on post-POI trends is largely misplaced and irrelevant.

xxv. Proportion of Urea or Natural Gas required to make Melamine, and its current international prices are well known and if we apply the proportion of Urea=> Melamine, this alone will be USD 600 *2.5 = USD 1500/Ton besides the cost of processing it to Melamine.

xxvi. The fair market price of inputs whether imported or domestic, not the subsidised cost of such inputs should be a guiding threshold to DGTR.

G.2 Submission of the domestic industry.

73. The domestic industry has made the following submissions with regard to injury and causal link:

i. The producers in China are not only dumping in the Indian market but also in other jurisdictions, including the United States, European Union, and Eurasian Economic Commission.

ii. The capacity of melamine in China has increased to around 2,200,000 MT, which is more than 14 times higher than domestic industry capacity.

iii. The demand for the product within China is declining due to weakness in the real estate sector. Despite this, capacity is likely to reach around 2,600,000 MT by the end of 2025.

iv. The capacity additions in China are intended to be utilised for export purposes only. India, being a large and growing market, becomes a natural destination for diversion of surplus capacity.

v. Many Chinese producers are backward integrated and captively consume urea. The Chinese government also provides various price and tax-related incentives in the urea sector.

vi. Chinese producers benefit from NRDC measures and other state support. These interventions reduce input costs and enable exporters to supply melamine at low prices in export markets.

vii. GSFC currently has three plants with a combined capacity of 55,000 MT. However, due to dumped imports, the domestic industry is forced to suspend production in two plants with a combined capacity of 15,000 MT. Prior to 2021, GSFC invested Rs. 800 crores in a new plant of 40,000 MT capacity, increasing total capacity to 55,000 MT across three plants.

viii. Considering the demand–supply gap, the domestic industry had planned further expansion of 40,000 MT. However, the plan was put on hold due to investment requirements exceeding Rs. 1,000 crore and inadequate financial viability caused by dumped imports.

ix. The demand for the product has increased over the injury period.

x. Imports from China increased sharply by 92% over the injury period, while value of imports decreased by 2%. Imports in relation to Indian production and demand also increased.

xi. China accounts for more than 90% of total imports.

xii. While imports from the subject country increased, imports from other countries declined.

xiii. Chinese producers are not only capturing domestic market share but also displacing imports from other countries.

xiv. While cost of sales increased over the injury period, selling prices declined, resulting in price suppression.

xv. Due to sharp decline in landed prices, the domestic industry was forced to reduce selling prices below cost levels.

xvi. Capacity of the domestic industry remained largely constant with more than 30% unutilised capacity.

xvii. Production and capacity utilisation declined over the injury period. Production declined by 20% in the period of investigation compared to the base year.

xviii. The domestic industry lost around 25,000 MT in production over the injury period.

xix. Sales declined in 2022–23 saw marginal recovery in 2023-24 and declined again during the period of investigation.

xx. Despite rising demand, domestic sales declined by 20% compared to the base year, reaching the lowest level in the period of investigation. In value terms, sales declined by Rs. [***] crores.

xxi. Market share of the subject country increased, while that of the domestic industry declined and was restricted to ***%, against a potential ***%.

xxii. The domestic industry was profitable in the base year. However, with increase in imports from the subject country, along with a sharp decline in landed prices, domestic industry profit significantly reduced profitability and eventually resulted in losses.

xxiii. With further increase in dumped imports, prevented the domestic industry from selling above its cost of sales. Consequently, the domestic industry continued to incur financial losses.

xxiv. On the submission that the domestic industry's injury is due to lack of capacity expansion, in the base year, all three plants of the domestic industry were in operation and earning reasonable profits. However, due to dumped imports, the domestic industry forced to shut down two of its plant. The same plants and facilities were operating profitably in the base year. The deterioration in performance has occurred only with the increase in dumped imports.

xxv. On the submission that decline in Urea led to decline in the prices of melamine, the landed price of subject imports declined more than the cost of sales of the domestic industry. Further, the export price from China has declined more than the export price from the other countries.

xxvi. On the submission that injury to the domestic industry on account of increase in exports, the export sales of the domestic industry have declined.

G.3 Examination by the Authority

74. Rule 11 of Antidumping Rules read with Annexure II provides that an injury determination shall involve examination of factors that may indicate injury to the domestic industry, "… *taking into account all relevant facts, including the volume of dumped imports, their effect on prices in the domestic market for like articles and the consequent effect of such imports on the domestic producers of such articles…".* In considering the effect of the dumped imports on prices, it is considered necessary to examine whether there has been a significant price undercutting by the dumped imports as compared with the price of the like article in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. For the examination of the impact of the dumped imports on the domestic industry in India, indices having a bearing on the state of the industry, such as production, capacity utilisation, sales volume, inventory, profitability, net sales realisation, the magnitude and margin of dumping, etc., have been considered in accordance with Annexure II of the Anti-Dumping Rules.

75. Various submissions made by the domestic industry and other interested parties on injury and causal link have been examined and analysed considering the facts available on record and applicable laws. The injury analysis by the Authority ipso facto addresses submissions made by the domestic industry and other interested parties.

Submission on Plant I and Plant II being idle due to technological and structural disadvantage.

76. With regard to the submission of the other interested parties that Plants I and II of the domestic industry have remained idle due to technological and structural disadvantages which is responsible for the injury suffered by the domestic industry, the Authority observes that the two units alleged to suffer from such disadvantages are already shut down. Since the domestic industry's cost of sales excludes any costs relating to these two plants, and the injury claimed pertains solely to Plant III, the technological and structural disadvantages of Plants I and II cannot be held responsible for the injury suffered.

77. The domestic industry has further furnished a comparison of its performance had the imports entered the Indian market at prices equivalent to the global export prices of the product (i.e., export prices from all countries excluding China). This comparison shows that, at such prices, the domestic industry would have earned profits. It is also observed that the export price from China is significantly lower than the export prices from other countries. Accordingly, the injury claimed by the domestic industry cannot be attributed to its technological and structural disadvantages.

Submission on smaller packaging being a cause of injury.

78. On the above submission that injury is attributable to packaging limitations, including the alleged inability of the domestic industry to supply the product in jumbo bags, it is noted that domestic industry has provided sales invoices of 1000 KG for export market. It is also seen that mere difference in packaging does not justify the difference between the landed price and cost of sales. Accordingly, the claim of the other interested parties cannot be accepted.

Submission on higher prices in past being extraordinary.

79. With regard to the submission that the prices prevailing in 2021-22 were high due to extraordinary global circumstances caused by disruptions from the COVID-19 pandemic and the Russia-Ukraine conflict, it is seen that the injury analysis in the present investigation has been undertaken on the basis of the entire injury period and not with reference to any single year in isolation. While it is acknowledged that prices during the base year were comparatively higher, the relevant consideration for the purposes of the

present investigation is examination of performance of the domestic industry over the injury period. The performance of the domestic industry deteriorated significantly during the period of investigation as compared to the base year. The existence of dumping is examined with reference to the period of investigation and not the base year. The fact that prices may have been higher during the base year does not diminish the adverse price effects experienced by the domestic industry during the period of investigation as a result of the dumped imports.

Submission on post period of investigation data.

80. The domestic industry has contended that, in the post-period of investigation, while the demand for the subject goods remained at a similar level, imports from China increased further and were accompanied by a decline in landed prices. Consequently, the domestic industry losses intensified during the post period of investigation. The Authority notes that examination of performance in the post period of investigation is not necessary when the Authority has already found that the domestic industry has suffered material injury in the present period of investigation. The Authority has already considered the period of investigation a period of 12 months which is sufficient to assess both dumping and the resulting injury to the domestic industry.

Submission on decline in Urea prices being a cause of decline in import prices.

81. With regard to the submission of the other interested parties on the above issue, it is noted that that any decline in raw material prices would be equally applicable to producers globally and not only the producers from the China PR. Therefore, it cannot be said that the decline in the raw material has led to decline in the prices of melamine.

Submission on appropriateness of 22% return on capital employed.

82. The interested parties have disputed consideration of 22% return on capital employed and adopt actual return on capital employed earned by the domestic industry during periods free from dumping allegations. For the same, the interested parties have placed reliance on the Hon'ble CESTAT Tribunal's decision in Bridge Stone Tyre Manufacturing & Others vs. Designated Authority and M/s Hyosung Corporation vs. Designated Authority. The Authority notes that Annexure III of the Rules refers to reasonable return (pre-tax) on the capital employed and it is a consistent practice of the Authority to determine the non-injurious price of the domestic industry based on reasonable return on capital

employed, which is 22%. With regard to the interested parties' reference to Bridge Stone Tyre Manufacturing & Others vs. Designated Authority, it is seen that the interested parties in this case had produced specific evidence justifying a departure from the Authority's consistent practice. However, interested parties in the present case have not placed any evidence on record to justify such departure. With regards to the interested parties' reference to M/s Hyosung Corporation vs. Designated Authority, it is seen that post this decision by the Hon'ble CESTAT in 2011, there have been multiple cases including Tangshan Sanyou Group Hong Kong International Trade Co. Limited v. Union of India, Merino Panel Products v. Designated Authority and M/s Perstorp Chemicals GmbH & Anr. v. Designated Authority & Ors. wherein the Hon'ble CESTAT Tribunal has consistently upheld the Authority's practice of adopting a 22% ROCE for injury analysis. Therefore, the Authority finds considering a 22% return on capital employed as appropriate in the present investigation.

83. The Authority has examined the injury parameters objectively, considering the facts and arguments submitted by the domestic industry and other interested parties. The injury analysis made by the Authority hereunder addresses the various other submissions made by the interested parties.

G.3.1 Assessment of demand/consumption

84. The Authority has determined demand or apparent consumption of the product in India as the sum of domestic sales of the domestic industry and imports of melamine from all sources.

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Domestic sales of applicant	MT	***	***	***	***
	Trend	Index	100	80	82	79
2	Imports from China PR	MT	60,648	75,806	85,493	114,357
3	Imports from other countries	MT	12,858	9,282	6,381	3,273
4	Total Demand	MT	***	***	***	***
	Trend	Index	100	103	110	131

85. It is seen that the demand for the product has increased over the injury period. The demand has also increased in the period of investigation as compared to the base year and the immediately preceding year. The demand was in the range of 1,10,000–1,20,000 MT in 2021-22 and 2022-23, 1,20,000–1,30,000 MT in 2023-24, and 1,40,000–1,50,000 MT in the period of investigation.

G.3.2 Volume effect of the dumped imports

a. Imports in absolute and relative terms

86. With regard to the volume of dumped imports, the Authority is required to consider whether there has been a significant increase in the dumped imports, either in absolute terms or relative to production or consumption in India. For the injury analysis, the Authority has relied on the DG system import data. The information is as below:

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Import volume	MT	60,648	75,806	85,493	114,357
2	Import value	Rs lacs	89,951	80,924	69,286	86,773
3	Imports from other countries	MT	12,858	9,282	6,381	3,273
4	Imports in relation to					
a	Indian production	%	***	***	***	***
	Trend	Index	100	138	171	235
b	Indian consumption	%	***	***	***	***
	Trend	Index	100	121	129	144
c	Total imports	%	83	89	93	97
	Trend	Index	100	108	113	118

87. It is seen that:

i. The imports from the subject country have increased over the injury period and with a sharp increase in the period of investigation.

ii. While the volume of imports from the subject country have increased, the value of imports from the subject country have declined over the injury period.

iii. The imports from subject country in relation to Indian production have increased from ***% in the base year to ***% in the period of investigation.

iv. The imports from subject country in relation to Indian consumption have increased from ***% in the base year to ***% in the period of investigation.

v. Imports from subject country have increased, but the imports from other countries have declined over the injury period. Consequently, the share of subject imports in total imports increased from 83% in the base year to 97% in the period of investigation.

88. The domestic industry has submitted that the increase in imports from the subject country resulted in the displacement of imports from other countries and enabled the subject imports to capture the market share previously held by other countries. The Authority has examined the import trends over the injury period from DG System import data. Anti-dumping duties were imposed in past on imports from China PR till 2021 and there were significant imports from the European Union, Japan, Qatar and the United Arab Emirates in the Indian market during that period. The duties expired in 2021 and following the expiry of the anti-dumping duties, imports from the subject country increased sharply and imports from the other countries declined. The increase in imports from the subject country coincided with the decline in imports from other countries, shows that the subject imports captured a part of the market previously served by such imports.

G.3.3 Price effect of the dumped imports.

89. In terms of Annexure II (ii) of the Rules, with regard to the effect of the dumped imports on prices, the Authority is required to consider whether there has been a significant price undercutting by the dumped imports as compared with the price of the like product in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree.

a. <u>Price undercutting</u>

90. Price undercutting has been determined by comparing the net sales realization of the domestic industry with the landed price of the imports for the period of investigation. The table below shows the price undercutting from the subject country.

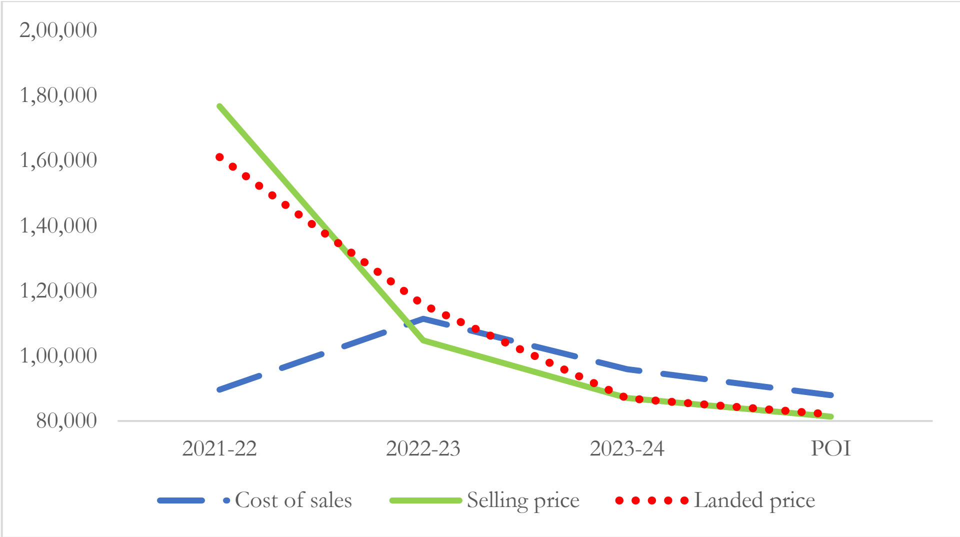
SN	Particulars	UOM	Amount
1	Landed price of imports	Rs/MT	82,139
2	Net Selling Price	Rs/MT	***
3	Price undercutting	Rs/MT	***
4	Price undercutting	%	(0-10)

91. It is seen that the landed price of imports from the subject country during the period of investigation is marginally higher than the net sales realisation of the domestic industry. Accordingly, the price undercutting from the subject country is marginally negative. It is seen that a negative price undercutting in a particular period does not, by itself, establish the absence of price injury. The domestic industry is the sole domestic supplier of the product in the domestic market, and the imports are majorly from the subject country. In terms of Annexure II (ii), the effect of the dumped imports on prices has, therefore, been examined further hereunder.

b. Price suppression and depression

92. In order to determine whether the dumped imports are depressing the domestic prices and whether the effect of such imports is to suppress prices to a significant degree or prevent price increases which otherwise would have occurred in the normal course, the changes in the costs and prices over the injury period were compared as follows:

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Cost of sales	Rs/MT	***	***	***	***
	Trend	Index	100	124	107	98
2	Selling price	Rs/MT	***	***	***	***
	Trend	Index	100	59	49	46
3	Landed price	Rs/MT	1,60,552	1,15,559	87,729	82,139
	Trend	Index	100	72	55	51



93. It is seen that:

i. In 2022-23, while the cost of sales of the domestic industry increased by Rs. ***per MT, its selling price declined sharply by Rs. ***per MT. The selling price declined as the landed price declined sharply. Further, the decline in selling price was even below the levels of cost of sales of the domestic industry.

ii. In 2023-24, both the cost of sales and the selling price of the domestic industry declined. However, the decline in the selling price was greater than the decline in the cost of sales, as the landed price declined.

iii. During the period of investigation, the cost of sales declined by Rs. ***per MT, while the selling price declined by Rs. ***per MT. Although the reduction in the cost of sales exceeded the decline in the selling price, the selling price continued to remain below cost.

iv. Over the injury period, while the cost of sales declined by 2%, the landed price has declined by 49%. As a result, the domestic industry was forced to reduce its selling price by 54%.

v. It is therefore considered that imports were depressing the selling price of the domestic industry in the market and preventing the domestic industry to change its price in relation to change in the costs.

G.3.4 Economic parameters of the domestic industry

94. Annexure II to the Rules provide that the examination of the impact of the dumped imports on the domestic industry should include an objective and unbiased evaluation of all relevant economic factors and indices having a bearing on the state of the industry,

including actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilization of capacity; factors affecting domestic prices, the magnitude of the margin of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital investments. The various injury parameters relating to the domestic industry are discussed below. The Authority has examined the injury parameters objectively, taking into account various facts and arguments made by the interested parties in their submissions.

a. Production, capacity, capacity utilization and domestic sales

95. The Authority has considered capacity, production, capacity utilization and domestic sales of the domestic industry over the injury period.

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Installed capacity	MT	55,000	55,000	55,000	55,000
	Trend	Index	100	100	100	100
	Production	MT	52,855	47,748	43,500	42,452
	Trend	Index	100	90	82	80
3	Capacity utilization	%	96%	87%	79%	77%
	Trend	Index	100	90	82	80
4	Domestic sales	MT	***	***	***	***
	Trend	Index	100	80	82	79
5	Domestic sales value	Rs Lacs	***	***	***	***
	Trend	Index	100	48	40	36

96. It is seen that:

i. The capacity of the domestic industry remained unchanged throughout the injury period. The domestic industry has submitted that it has suspended production at two plants during the period of investigation.

ii. Although demand for the product increased over the injury period, the domestic industry operated with more than 20% unutilized capacity during the period of investigation.

iii. Production and capacity utilization of the domestic industry declined consistently throughout the injury period. The domestic industry recorded lowest production and capacity utilisation in the period of investigation.

iv. Domestic sales of the domestic industry declined in 2022-23 and increased marginally in the subsequent period but declined again during the period of investigation.

v. Despite an increase in demand, the domestic sales volume of the domestic industry declined by 21% in the period of investigation as compared to the base year. Over the injury period, the sales value of the domestic industry declined by Rs. [***] crore.

b. Market share

97. The Authority has examined the effect of the dumped imports on the market share of the domestic industry, subject country and other countries as under.

SN	Market Share	UOM	2021-22	2022-23	2023-24	POI
1	Domestic industry	%	***	***	***	***
	Trend	Index	100	78	74	60
2	Imports from subject country	%	***	***	***	***
	Trend	Index	100	121	129	144
3	Imports from other countries	%	***	***	***	***
	Trend	Index	100	70	45	19

98. It is seen that:

i. The market share of the domestic industry has declined consistently over the injury period.

ii. The market share of imports from the subject country moved in the opposite direction to that of the domestic industry. While the market share of the domestic industry declined, the market share of imports from the subject country increased over the injury period and sharply increased in the period of investigation.

iii. The market share of imports from other countries declined during the period of investigation as compared to the base year.

c. Profitability, cash profit and return on capital employed

99. The performance of the domestic industry has been examined in respect of profitability, profits, cash profits, PBIT, and return on investment.

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Profit/loss	Rs/MT	***	***	***	***
	Trend	Index	100	-8	-10	-8
2	Profit/loss	Rs lakhs	***	***	***	***
	Trend	Index	100	-6	-8	-6
3	Cash profit	Rs/MT	***	***	***	***
	Trend	Index	100	0	-3	0
4	Cash profit	Rs lakhs	***	***	***	***
	Trend	Index	100	0	-2	0
5	PBIT	Rs/MT	***	***	***	***
	Trend	Index	100	-8	-10	-8
6	PBIT	Rs lakhs	***	***	***	***
	Trend	Index	100	-6	-8	-6
7	ROI	%	***	***	***	***
	Trend	Index	100	-9	-13	-10

100. It is seen that:

i. The domestic industry was profitable in 2021-22. However, as the volume of imports from the subject country increased in 2022-23 with a sharp decline in import price, the profits of the domestic industry declined sharply and turned into losses.

ii. The domestic industry has suffered losses in 2022-23, 2023-24 and the period of investigation.

iii. The profit of the domestic industry was Rs [***] crore in the base year and has turned into losses of Rs [***] cr in the period of investigation.

iv. With the deterioration in profitability due to the increase in dumped imports, the cash profits of the domestic industry declined sharply in 2022-23. As losses intensified in the subsequent period, the cash profits declined further and turned negative.

v. While the cash profits of the domestic industry turned marginally positive during the period of investigation, it remained insufficient to sustain the operations of the domestic industry.

vi. The PBIT of the domestic industry followed a trend similar to that of its profits per unit. The interest cost of the domestic industry is miniscule.

vii. As the domestic industry suffered losses, its return on investment declined sharply, turned negative in 2022-23, and remained negative thereafter.

d. Inventories

101. The inventory position with the domestic industry over the injury period is given in the table below:

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	Opening inventory	MT	***	***	***	***
2	Closing inventory	MT	***	***	***	***
3	Average inventory	MT	***	***	***	***
	Trend	Index	100	145	87	30

102. It is seen that the average inventory of the domestic industry increased sharply in 2022-23 but declined in the subsequent period and further declined in the period of investigation.

103. The domestic industry recorded its lowest inventory level during the period of investigation. The primary reason for the decline in inventory is suspension of production in other plants and sales below costs.

e. Employment, wages and productivity

104. Employment, wages and productivity of the domestic industry over the injury period is given in the table below:

SN	Particulars	UOM	2021-22	2022-23	2023-24	POI
1	No of Employment	Nos.	***	***	***	***
	Trend	Index	100	55	47	43
2	Wages	Rs. Lacs	***	***	***	***
	Trend	Index	100	121	167	149
3	Productivity per day	MT/days	***	***	***	***
	Trend	Index	100	90	82	80
4	Productivity per employee	MT/employee	***	***	***	***
	Trend	Index	100	164	175	187

105. It is seen that:

   i. The level of employment with the domestic industry declined during the injury period.

   ii. The wages paid by the domestic industry increased in 2022-23 and further increased in 2023-24. However, wages declined during the period of investigation.

   iii. While the productivity per day declined during the period of investigation, productivity per employee increased during the same period.

106. With regard to the contention of the other interested parties that the deterioration in the performance of the domestic industry is attributable to internal cost management issues arising from an increase in wages despite a decline in employment, it is seen that the cost on account of wages is only *** of the total cost of production claimed by the applicant. The losses suffered by the domestic industry are far higher.

f. <u>Growth</u>

107. The growth of the domestic industry in terms of capacity, production, domestic sales volume, PBT, PBIT, cash profits and the return on capital employed is as per the table given below:

SN	Particulars	UOM	2022-23	2023-24	POI
1	Production	Y/Y	-10	-9	-2
2	Capacity utilisation	Y/Y	-9	-8	-2
3	Domestic sales	Y/Y	-20	2	-3
4	Inventory	Y/Y	45	-40	-65
5	Profit per unit	Y/Y	-108	-35	26
6	Profit in ₹ Lacs	Y/Y	-106	-37	28
7	Cash Profit	Y/Y	-100	-1,179	114
8	PBIT	Y/Y	-108	-35	26
9	ROCE	Y/Y	-63	-2	2

108. It is seen that the growth of the domestic industry during the period of investigation has been negative in various volume parameters. While it is positive in price parameters, it

can be seen that the domestic industry has continued to suffer losses with the degree of losses declining.

g. Ability to raise capital investment

109. The Authority notes that the profitability, cash profits and return on capital employed of the domestic industry have deteriorated significantly over the injury period. The adverse financial performance of the domestic industry has impaired its ability to raise additional capital and undertake fresh investments.

110. The domestic industry had submitted that it had planned to expand its melamine capacity by setting up an additional plant of 40,000 MT, which would have increased its total installed capacity. However, the proposed expansion has been put on hold in view of the prevailing market conditions and the deterioration in the financial performance of the domestic industry. Since the financial performance of the domestic industry is significantly affected, the domestic industry's ability to justify and secure such investment has been adversely affected.

h. Factor affecting the domestic prices.

111. The examination of DG System imports data shows that the import price from the subject country is marginally higher than the selling price of the domestic industry. However, the landed price of subject imports has not moved in proportion to the changes in cost. As a result, the domestic industry was compelled to reduce its selling price, which fell below the cost of sales as the landed price also declined significantly below the cost of sales. This decline had a significant adverse impact on the profitability of the domestic industry. The fact that the domestic industry has incurred losses and recorded a negative return on investment during the period of investigation clearly demonstrates the adverse effects of dumped imports.

i. Magnitude of dumping

112. It is seen that the dumping margin is positive and significant.

G.3.5 Conclusions on injury

113. The examination of the imports of the product under consideration and performance of domestic industry shows that:

i. The imports from the subject country have increased from 60,648 MT in the base year to 1,14,357 MT. The imports have increased in absolute terms.

ii. The imports in relation to production increased from ***% in the base year to ***% in the period of investigation. The imports in relation to consumption increased from ***% in the base year to ***% in the period of investigation. The imports have increased in relative term.

iii. The imports from other countries have declined from 12,858 MT in the base year to 3,273 MT in the period of investigation. Dumped imports from China have displaced the market being catered by the imports from other countries.

iv. The landed price has remained below the cost of sales of the domestic industry in the period of investigation. As a result, the domestic industry has been unable to adjust its prices in line with the changes in the cost. The prices of the domestic industry were depressed in the period of investigation.

v. The production, domestic sales and capacity utilization of the domestic industry declined over the injury period.

vi. The market share of the domestic industry has declined over the injury period. Whereas the market share of the subject country increased during the same period.

vii. The average inventory declined over injury period on account of sales made by the domestic industry in losses.

viii. Profitability of the domestic industry turned negative in 2022-23 and continued to be in losses for the remaining of the period. The profit per unit has declined from Rs ***per MT to loss of Rs (***) per MT.

ix. PBIT and return on capital employed of the domestic industry similarly turned negative in 2022-23 and remained negative for the remaining period. Cash profit turned negative in 2023-24 but increased during the period of investigation.

x. The growth of the domestic industry was negative in volume parameters in the period of investigation. Although the price parameters improved marginally, the domestic industry continued to suffer losses.

xi. The domestic industry's ability to raise capital has been adversely impacted.

xii. The dumped imports have affected the prices of the domestic industry.

xiii. The dumping margin is positive and significant during the period of investigation.

H. CAUSAL LINK & NON-ATTRIBUTION ANALYSIS

114. As per the Rules, the Authority, inter alia, is required to examine any known factors other than the dumped imports which are injuring or are likely to cause injury to the domestic industry, so that the injury caused by these other factors may not be attributed to the dumped imports. Factors which may be relevant in this respect include, inter alia, the volume and prices of imports not sold at dumped prices, contraction in demand or changes in the patterns of consumption, trade restrictive practices of and competition between the foreign and the domestic producers, developments in technology and the export performance and the productivity of the domestic industry. It has been examined below whether the factors listed under the Rules could have contributed to the injury suffered by the domestic industry.

a. Volume and price of imports from third countries

115. Imports from the subject country constitute more than 90% share in the total imports into India. The imports of the subject goods from other countries are in insignificant volumes and at higher prices and hence cannot be said to have caused material injury to the domestic industry.

b. Contraction in demand

116. It is seen that the demand for the product under consideration has increased over the injury period. The investigation has not shown that the demand is likely to decline. Therefore, a decline in demand or a likely decline in demand cannot be a cause of injury to the domestic industry.

c. Trade restrictive practices

117. There is no trade restrictive practice that has caused or is likely to cause injury to the domestic industry.

d. Development of technology

118. Information on record shows that technology for the production of the product has not undergone any change. Domestic Industry, since its inception is manufacturing the subject

goods through the urea-based route. Therefore, technology cannot be a cause of injury to the domestic industry.

e. Export performance

119. The export volumes of the domestic industry increased in 2022-23 and declined thereafter, though remaining above the base-year level. The decline in exports after 2022-23 was not accompanied by any increase in domestic sales, which declined from an index of 82 in 2023-24 to 79 in the period of investigation. The domestic industry instead reduced its production. Thus, the decline in domestic sales cannot be attributed to diversion of production to exports. Further, the injury analysis is done for domestic operations therefore, export performance cannot be linked to the cause of injury to the domestic industry.

f. Performance of other products of the company

120. The Authority has considered data relating to the performance of the subject goods only. Therefore, the performance of the other products produced and sold by the domestic industry is not a possible cause of injury to the domestic industry. As regards the contention concerning sale of urea by the domestic industry in the open market, the Authority notes that the injury analysis relates solely to the melamine operations of the domestic industry, and no evidence has been placed on record to show that the production of melamine was constrained by non-availability of urea.

g. Causal link between dumping and injury

121. The factors listed above clearly establish that injury to the domestic industry has not been caused by the other factors. The following factors establish causal link between dumping and injury to the domestic industry.

a. The imports from subject country are at dumped prices.

b. The import price is below the cost of the domestic industry and has prevented it from charging adequate remunerative prices. As a result, the dumped imports have depressed the prices of the domestic industry.

c. The domestic industry profitability turned into losses in 2022-23 and continued to be in losses in the period of investigation.

d. As the dumped imports from the subject country are at low prices, they hold significant share in the domestic demand.

e. The production, domestic sales and capacity utilisation of the domestic industry have declined in the period of investigation despite there being sufficient demand for its product in the market.

I. MAGNITUDE OF INJURY MARGIN

122. The Authority has determined the NIP for the domestic industry on the basis of principles laid down in AD Rules read with Annexure III, as amended. The NIP of the product under consideration has been determined by adopting the information/data relating to the cost of production provided by the domestic industry. The NIP has been considered for comparing the landed price from the subject country for calculating injury margin. For determining the NIP, the best utilisation of the raw materials and utilities has been considered over the injury period. Best utilisation of production capacity over the injury period has been considered. Extraordinary or non-recurring expenses have been excluded from the cost of production. A reasonable return (pre-tax @ 22%) on average capital employed (i.e., average net fixed assets plus average working capital) for the product under consideration was allowed as pretax profit to arrive at the NIP as prescribed in Annexure III to the AD Rules.

123. The non-injurious price determined above has been compared with the landed price for the product under consideration. The landed price for the sampled producers in the subject country has been determined on the basis of the data furnished by the producers. The injury margin for non-sampled cooperating producers has been determined on the basis of the weighted average injury margin determined for the sampled cooperating producers/ exporters. The injury margin for non-cooperative producers/exporters from China PR has been determined on the basis of facts available in terms of Rule 6(8) of the Rules. The non-injurious price determined for the domestic industry is in the range of US$ 1,100–1,200 per MT.

INJURY MARGIN						
SN	Name of Producer	NIP	Landed Price	Injury Margin	Injury Margin	Injury Margin
		$/MT	$/MT	$/MT	%	Range (%)

1	Huaqiang Chemical Group Stock Co., Ltd.	***	***	***	***	30-40
2	Xinjiang Yihua Chemical Industry Co., Ltd.	***	***	***	***	20-30
3	Xinjiang Xinlianxin Energy Chemical Co., Ltd.	***	***	***	***	20-30
4	Non-sampled cooperating producers	***	***	***	***	20-30
5	Any other producer	***	***	***	***	50-60

J. INDIAN INDUSTRY INTEREST AND OTHER ISSUES

J.1 Submission made by the other interested parties

124. The other interested parties have made the following submissions about the Indian industry's interest:

i. There is a significant demand-supply gap in the domestic market.

ii. The domestic industry is the sole domestic producer of melamine, and its production capacity is insufficient to meet domestic demand, making imports essential to ensure adequate supply.

iii. The imposition of anti-dumping duty on melamine would not be in the public interest, as it would adversely affect downstream industries, particularly MSMEs, which are heavily dependent on melamine as a key raw material.

iv. Melamine is a critical input for the manufacture of melamine formaldehyde moulding powder (MFMP), as well as products such as laminates, plywood, particle boards, coatings, and adhesives, which serve the construction, housing, infrastructure, and consumer goods sectors.

v. MFMP production is highly cost-sensitive, with melamine accounting for a substantial portion of total production costs. Any anti-dumping duty on melamine would directly increase production costs, erode the competitiveness of domestic MSME manufacturers vis-à-vis imported finished MFMP, and may result in loss of business and potential closure of units.

vi. These downstream industries operate on thin margins and are highly price sensitive. Even a moderate increase in melamine prices would significantly compress margins, reduce competitiveness, and may not be recoverable through higher selling prices in the current market environment.

vii. Any increase in production costs arising from anti-dumping duties is likely to be passed on to consumers, thereby contributing to inflationary pressures.

viii. The imposition of duties would adversely affect employment, competitiveness, and the overall viability of MSME-based downstream industries by increasing input costs.

ix. The current policy approach of the Government of India is to reduce input costs, ensure raw material availability, and strengthen industrial competitiveness across the chemical value chain, particularly in light of global supply chain disruptions and price volatility.

x. Customs Notification No. 12/2026 dated 1 April 2026 reduced customs duty to nil on several key chemical inputs and intermediates linked to the melamine value chain. This reflects the Government's intent to ensure the availability of raw materials at competitive prices, support downstream industries, and enhance cost competitiveness.

xi. Regulatory developments, including the implementation of Quality Control Orders (QCOs) for plywood and panel products, are expected to increase demand for melamine, making the availability of competitively priced imports even more critical.

xii. Since the domestic industry is India's sole manufacturer of melamine, any restriction on imports would increase market dependence on a single supplier, adversely affecting fair competition, market balance, supply security, and the interests of user industries.

xiii. While there is a huge demand & supply gap, but reasons for this gap is retardation of industry.

xiv. Wood based domestic industry has more than enough protection by way of TBT import restrictions and it should not harp any more or further.

xv. Unplanned or unviable capacities of consumer industries in a Wood based industry segment cannot be made sustainable, even if free Urea or Melamine is offered under any program of govt.

xvi. Imported melamine accounts for 36% of total production cost. A moderate escalation in melamine prices leads to significant compression of operating margins.

xvii. Imposition of duty would increase MFMP production cost by Rs 11.45/kg. Price cannot be raised beyond Rs 118.40/kg, this would reduce the existing profit margin by 53%.

xviii. Despite being a public sector undertaking, is not functioning in the public interest.

xix. GSFC benefited from ADD for more than 15 years. Imposition of duties is not in public interest.

xx. GSFC supplies urea in the open market to receive government incentive rather captively consume the same in its plants.

J.2 Submission made by the domestic industry

125. The domestic industry has made the following submissions with regard to the Indian industry's interest:

i. Anti-dumping duty restores fair competition by ensuring that domestic manufacturers are able to compete on a level playing field.

ii. Despite being the sole producer in India and operating in a demand-supply deficit market, the domestic industry continues to face significant idle capacity due to dumped imports from the subject country.

iii. The impact of dumped imports has already resulted in the closure of two production plants, and there is a serious risk that the remaining plant may also become unviable due to low-priced imports. This would make India entirely dependent on imports and lead to substantial job losses.

iv. The continued influx of low-priced dumped imports has made domestic production economically unviable for potential new entrants, leaving the applicant as the sole producer in India. Dumping has therefore not only injured the existing domestic industry but has also acted as a barrier to entry, undermining the Government's "Make in India" initiative.

v. The domestic industry significantly expanded its capacity from 15,000 MT to 55,000 MT by investing approximately Rs. 800 crores in an additional 40,000 MT plant.

vi. However, due to substantial dumped imports from China PR, the industry has been compelled to curtail operations and currently operates only one plant, leaving

15,000 MT of capacity idle. This demonstrates that the injury suffered is attributable to dumped imports rather than any failure to expand capacity.

vii. Melamine is used in several industries, including plywood, laminates, and pigments. However, it is not directly consumed in these products. Rather, it is first converted into Melamine Formaldehyde Resin, which is then used in the manufacture of downstream products.

viii. Since Melamine Formaldehyde Resin itself is an intermediate input, any impact of the proposed measures is absorbed within the manufacturing process. Consequently, the proposed duties would have only a minimal effect on downstream products.

ix. The share of Melamine in the total cost of production of downstream products such as commercial plywood, veneer, pigments, and laminates is marginal. Therefore, the impact of the proposed measures on downstream industries would be minimal.

x. Even if the price of Melamine were to increase by 20%, the impact on the final product would be approximately 5%. Producers of Melamine Formaldehyde Resin can pass on any increase in raw material costs to their customers, particularly since imports of Melamine Formaldehyde Resin remain limited. Against an annual Melamine demand of 150,000 MT, imports of Melamine Formaldehyde Resin are only about 5,000 MT.

xi. The user industry largely operates on a pass-through basis. Accordingly, any increase in costs resulting from anti-dumping duties is likely to be passed through the supply chain with minimal impact on overall demand or final consumer prices.

xii. Any contention that the proposed duties would cause injury to downstream users is unsupported by the evidence. Anti-dumping duties remained in force for nearly two decades, yet no adverse impact on downstream manufacturers was demonstrated.

xiii. Despite anti-dumping duties being in force for almost twenty years, demand for the product increased consistently. Even when prices reached Rs. 161/kg, demand continued to grow, demonstrating that downstream industries were able to absorb higher input costs without any adverse impact on demand.

xiv. The profitability data of downstream users further confirms the absence of any material impact. Despite substantial reductions in Melamine prices, downstream users did not experience corresponding improvements in profitability. In several cases, profitability either declined or remained broadly stable during the period of investigation.

xv. Even in the base year, when the landed price of Melamine was significantly higher, downstream industries continued to operate profitably.

xvi. The submission that anti-dumping duties would adversely affect MSMEs is misplaced, as none of the participating users qualify as MSMEs. Each of the participating companies has an annual turnover exceeding Rs. 2,000 crores.

xvii. The imposition of anti-dumping duty would help safeguard quality standards in the Indian market. In the past, concerns have been raised regarding the quality of imports from China PR.

xviii. Given that Melamine is widely used in consumer products such as plates, cups, and laminates, the continued influx of substandard imports poses potential risks to end consumers.

xix. The domestic industry incurred expenditure of Rs. 21.98 crores on social development activities during the period of investigation.

xx. Due to low-priced dumped imports, the applicant is suffering significant financial losses and negative returns on capital employed. As the sole producer in India, continued injury could force the applicant to cease operations, adversely affecting employment and livelihoods.

xxi. Anti-dumping measures are intended to restore fair competition rather than maintain artificially suppressed prices. Consumers cannot claim a right to access dumped imports, as market participants are expected to operate under fair market conditions rather than benefit from unfair pricing practices.

xxii. The reduction in customs duty by the Government is a temporary measure intended to address short-term supply concerns, facilitate trade, and ensure supply stability. Anti-dumping duties, by contrast, address unfair trade practices.

xxiii. Regulatory developments such as Quality Control Orders (QCOs) applicable to plywood and panel products are not relevant to the present investigation. Even if such measures increase demand for Melamine, they cannot justify the continuation of dumped imports.

xxiv. The proposed measures would not eliminate competition. Imports from both subject and non-subject countries would continue to be available, thereby ensuring adequate supply and competitive market conditions.

J.3 Examination by the Authority

126. The Authority considered whether imposition of the proposed anti-dumping duty will be against public interest. This determination is based on consideration of information on record and interests of various parties, including domestic industry, importers, and consumers of the product.

127. It is noted that the purpose of anti-dumping measures, in general, is to eliminate injury caused to the domestic industry by the unfair trade practices of dumping so as to re-establish a situation of open and fair competition in the Indian market, which is in the general interest of the country. The Authority recognizes that the anti-dumping duties might affect the price levels of the product under consideration as well as other downstream products manufactured by using the subject goods in India. However, fair competition in the Indian market will not be reduced by the imposition of anti-dumping measures. On the contrary, the imposition of anti-dumping measures would prevent the decline in the performance parameters of the domestic industry that may ensue as a consequence of low-priced imports from the subject country and help maintain the wider availability of choices to the consumers of the product under consideration.

128. The Authority further notes that imposition of anti-dumping duty does not restrict imports. Imports will continue to happen at fair prices. The analysis of import data also shows that the dumping of the product from the subject country, has led to reduction in imports from other countries. It is seen that in past when the imports from China attracted anti-dumping duty, there were significant volume of imports from other countries. However, with the expiry of anti-dumping duty, these third-country imports have declined drastically. The purpose of Anti-dumping duty is to ensure that the imports are entering the Indian market at fair prices and a level playing field is maintained between the foreign exporters and the domestic industry.

129. The Authority has prescribed an economic interest questionnaire, which was sent to all interested parties in this investigation. The domestic industry, Indian laminates manufacture association, Merino Laminates Limited, Century Plyboard (India) Limited, Greenlam Industries Limited, Virgo Laminates Limited and Pristine Melamine LLP have filed responses to the economic interest questionnaire.

130. With regard to the submissions of the interested parties concerning Customs Notification No. 12/2026 and the recent policy measures relating to reduction in customs duties, it is noted that those measures are general customs measures applicable in accordance with the Government's fiscal and trade policy objectives. The present investigation, however, has been conducted under the provisions of the Customs Tariff Act, 1975 and the Anti-Dumping Rules with a view to determine the existence of dumping, injury to the domestic industry and the causal link between the dumped imports and the injury suffered by the domestic industry. The Authority notes that the existence of customs duty concessions or reductions on certain products does not, in itself, have a bearing on the determination of dumping, injury or causal link in an anti-dumping investigation.

131. With regard to the contention of the other interested parties that regulatory developments, including Quality Control Orders on plywood and panel products, are expected to increase demand for melamine and that input cost stability is therefore critical for downstream industries, it is noted that regulatory developments affecting downstream industries may influence the demand for the subject goods. However, the existence of such regulatory measures does not have a bearing on the determination of dumping, injury and causal link in the present investigation. An increase in demand for the subject goods cannot justify continuation of imports at dumped prices in the domestic market. The demand for the subject goods can continue to be met through domestic production as well as imports at fair prices. On the other hand, the increase in demand for the subject goods shows the need for a vibrant domestic industry. A vibrant domestic industry ensures competitive pricing, shorter lead times, reduced forex risk, and strategic resilience against global disruptions, supply chain efficiency and foreign supplier dependence.

132. With regard to the contention of the interested parties that imposition of anti-dumping duty on melamine would adversely affect downstream industries operating on thin margins and would lead to an increase in cost pressures, the Authority has examined the significance of Melamine for the downstream industry. For this purpose, Annexure 2 filed by the user industry has been relied upon. The table below shows the profit and loss reported by the responding users.

Information provided by Century Plyboards

SN	Particulars	UOM	Laminate (Sheet)	Particle Board
1	Cost of PUC		***	***
2	Total cost		***	***
3	Share of PUC	%	***	***
4	If cost of PUC increases by 10%	Rs/sheet	***	***
5	Share of PUC after ADD	%	***	***
6	Increase in cost (impact of ADD)	%	***	***

Information provided by Merino Plywood

SN	Particulars	UOM	Laminate (HPL + LPL)	Particle Board
1	Cost of PUC	Per Pcs	***	***
2	Total cost	Per Pcs	***	***
3	Share of PUC	%	***	***
4	If cost of PUC increases by 10%	Rs/Pcs	***	***
5	Share of PUC after ADD	%	***	***
6	Increase in cost (impact of ADD)	%	***	***

Information provided by Greenlam

SN	Particulars	UOM	Decorative laminate (Greenlam)
1	Cost of PUC	Rs/Kg	***
2	Total cost	Rs/Kg	***
3	Share of PUC	%	***
4	If cost of PUC increases by 10%	Rs/Kg	***
5	Share of PUC after ADD	%	***
6	Increase in cost (impact of ADD)	%	***

Information provided by Pristine Melamine LLP

SN	Particulars	UOM	M F Glazing Powder	M M F Moulding Powder

1	Cost of PUC	Rs/Kg	***	***
2	Total cost	Rs/Kg	***	***
3	Share of PUC	%	***	***
4	If cost of PUC increases by 10%	Rs/Kg	***	***
5	Share of PUC after ADD	%	***	***
6	Increase in cost (impact of ADD)	%	***	***

133. The Authority has also quantified the impact of anti-dumping duty based on the Appendix 2 of the user questionnaire response filed by the user industry. The Authority notes that the users have not established that they would be unable to pass on the increase in cost, if any, on account of the anti-dumping duty.

134. The domestic industry has also quantified the following impact of the proposed anti-dumping duty on various downstream products:

SN	Particulars	Commercial Plywood	Veneer	Pigment	Laminate
1	Rate of the product	1387 per 0.01728 cubic meter	3286 per 0.01152 cubic meter	750 per KG	3000 per 0.00288 cubic meter
2	Melamine norms (SION)	6.13 KG per cubic meter	4.15 KG per cubic meter	0.18 per KG	146 KG per cubic meter
3	Melamine price	81	81	81	81
4	Melamine cost	496.53	336.15	14.58	11826
5	Share of Melamine in the above price	0.58%	0.11%	1.82%	1.07%
6	Melamine price increase by 20%	15.2	15.2	15.2	15.2
7	Impact on final product price	0.116%	0.022%	0.36%	0.213%

135. The other interested parties submitted that imposition of anti-dumping duty would adversely impact downstream industries, particularly MSMEs engaged in the production

of Melamine Formaldehyde Moulding Powder (MFMP) and Melamine Formaldehyde Glazing Powder (MFGP). The users have claimed that melamine accounts for significant share in the production cost and any increase in input price cannot be absorbed.

136. The domestic industry has also provided impact on MFMP:

SN	Particulars	UOM	Impact
1	Price of MFR	Rs/kg	162
2	Melamine rate [present price]	Rs/kg	81
3	Melamine consumption (estimated)	Kg	0.5
4	Melamine cost	Rs/kg	41
5	Share of Melamine in the above price	%	25%
6	Melamine price increase by 20%	%	5%

Source: domestic industry rejoinder

137. Upon examination of data and information provided by the interested parties and the domestic industry, it is seen that the participating downstream users, except Pristine Melamine LLP which has claimed registration as an MSME, are not MSMEs. Secondly melamine is generally not used directly in the manufacture of several downstream products. The product is first converted into Melamine Formaldehyde Resin (MFR), which is thereafter used in the manufacture of downstream products. Thus, melamine undergoes further processing and value addition before being used in the final product.

138. The domestic industry has claimed that against a demand of 1,50,000 MT of Melamine, the import of Melamine Formaldehyde Resin is only 5,000 MT. A Melamine Formaldehyde Resin producer would therefore be able to pass on the increase in the cost to the immediate consumer. The consumers of Melamine Formaldehyde have set up integrated plants where Melamine is consumed, used to make Melamine Formaldehyde which is then captively consumed to make other products. Therefore, Melamine Formaldehyde would be able to change its price easily in line with the changes in the cost of production

139. The other interested parties have claimed that the anti-dumping duties previously in force have significantly impacted the operations of the downstream industry and have increased the cost and price of the final downstream products. The domestic industry has disputed this by providing information on the historical demand for the product under consideration in India which is given below.

SN	Years	Demand (MT)	SN	Years	Demand (MT)
1	2004-05	100	12	2015-16	317
2	2005-06	99	13	2016-17	300
3	2006-07	108	14	2017-18	365
4	2007-08	146	15	2018-19	416
5	2008-09	127	16	2019-20	419
6	2009-10	167	17	2020-21	443
7	2010-11	204	18	2021-22	573
8	2011-12	216	19	2022-23	627
9	2012-13	255	20	2023-24	665
10	2013-14	263	21	2024-25	764
11	2014-15	304			

* Based on submission of domestic industry

140. In regard to the contention that there is a demand-supply gap in the country and the imports were warranted to meet the demand supply gap. The Authority notes that the existence of a demand-supply gap does not justify the dumping of the product in the Indian market. The Authority also notes that while the domestic industry has expanded capacity in past, no new producer invested in the product despite growing demand. However, when the domestic industry is faced with such significant losses, expansions cannot take place. The domestic industry has claimed that it has suspended capacity expansion plans.

141. In regard to the contention that anti-dumping duties will adversely affect the exports of the downstream industry, it is considered that imports for exports are not subject to anti-dumping duty. Further, the domestic industry has provided information showing that the product is being traded in global market at significantly higher prices as compared to the

Indian market. Therefore, if the anti-dumping duty was to lead to increase in the prices, the downstream industry would be able to compete with the other global producers who are consuming the product under consideration at fair prices.

K. POST-DISCLOSURE COMMENTS

K.1 Submissions made by the other interested parties

142. The interested parties have made the following submissions in their comments on the disclosure statement:.

i. The disclosure statement does not disclose the essential facts in terms of Rule 16. The normal value, export price, dumping margin, non-injurious price, price undercutting, cost of sales, selling price, the historical demand series and the quantification of the impact on users have been withheld as confidential, without recording satisfaction under Rule 7 and without meaningful non-confidential summaries. Information that is neither disclosed nor summarised cannot support an affirmative determination. Reliance has been placed on Century Plyboards (I) Ltd. v. Union of India [WP(C) No. 6568/2017, Gauhati High Court, 26.08.2019], the judgment in Review Petition No. 9/2020, the order dated 21.06.2023 in I.A. (Civil) No. 2414/2022, Reliance Industries Ltd. v. Designated Authority [(2006) 10 SCC 368], Union of India v. Meghmani Organics Ltd. [(2016) 10 SCC 28], Nirma Ltd. v. Union of India (Gujarat High Court), and Articles 6.5 and 6.9 of the Anti-Dumping Agreement. Para 36 of the disclosure statement records that the non-injurious price and price undercutting were disclosed in range, whereas no range of the non-injurious price was disclosed and price undercutting was shown only as negative. A supplementary disclosure has been sought.

ii. The reasoning in the disclosure statement is circular. The demand-supply gap, the domestic industry's own cost, the market structure and the decisions of the domestic industry itself have each been used to support an affirmative finding, and the same comparison between the domestic industry's cost and the Chinese price has been counted as dumping, as price injury and as causation. The Authority has not examined whether any evidence would have led to a negative determination, as required by Annexure II and by US – Hot-Rolled Steel (WT/DS184/AB/R).

iii. Price undercutting is negative, although the application had claimed significant positive price undercutting. In the final findings dated 19.02.2018 concerning imports from the EU, Iran, Indonesia and Japan, and in F. No. 14/30/2010-DGTR, negative undercutting was treated as a relevant consideration against the imposition of duty. The selling price of the domestic industry declined by 54% while the landed price declined by only 49%, which shows that factors other than imports determined the prices of the domestic industry.

iv. The decline in prices was global. The export realisation of the domestic industry declined in parallel with its domestic realisation (index 100 to 47 and 100 to 46), in markets unaffected by imports into India. Commission Implementing Regulation (EU) 2025/325 records that Chinese import prices into the EU fell by more than half from 2022, while EU measures were in force. The cost of sales of the domestic industry declined by only 2%, reflecting its own cost rigidity when gas and urea prices declined.

v. The year-wise movements do not support causation. The steepest fall in the price of the domestic industry (2021-22 to 2022-23) coincided with the smallest increase in imports (15,158 MT), while between 2023-24 and the period of investigation, when imports increased by 28,864 MT, the loss per MT of the domestic industry narrowed and its cash profit turned positive. Between 2022-23 and the period of investigation, imports increased by about 51% while domestic sales, loss per MT and inventory did not deteriorate.

vi. The base year 2021-22 is not representative, since anti-dumping duty on imports from China PR was in force up to 30.09.2021 and the year marked the peak of the global price cycle. Para 79 of the disclosure statement answers this contention with reference to the period of investigation for dumping, which does not address the injury analysis. The Authority should adopt 2022-23 as the reference year or disclose the net sales realisation separately for April-September 2021 and October 2021-March 2022.

vii. The applicant had stated in its application that it had produced and sold to the extent of its capacity and had not claimed volume injury. The disclosure statement nevertheless relies on the decline in production, sales, capacity utilisation and market share.

viii. At least three-fifths of the increase of 53,709 MT in subject imports is explained by the growth in demand and the decline of 9,585 MT in imports from other countries. The decline in domestic sales of the domestic industry in 2022-23 coincided with a doubling of its exports, while its total sales remained unchanged. Export performance is a factor listed in Annexure II and has been wrongly disregarded. Displacement of third-country imports, which the applicant itself had earlier alleged to be dumped, cannot constitute injury to the applicant, and the sharp decline in inventories contradicts any volume injury.

ix. The cost of sales has been confined to Plant III, while capacity utilisation has been computed on the capacity of 55,000 MT, including Plants I and II, which have been suspended. The production of 42,452 MT in the period of investigation exceeds the capacity of Plant III of 40,000 MT. The applicant's explanation for the suspension of Plants I and II has shifted over the years. The fall in employment and rise in wages reflect internal reorganisation, and the claimed expansion plan of 40,000 MT is not supported by any board approval or project report.

x. The non-attribution analysis is summary. The Authority has not separated and distinguished the global decline in prices and costs, the lapse of anti-dumping duty in September 2021, the capacity constraint of the domestic industry, the allocation of its output to exports, the suspension of Plants I and II and their older technology, the rigid costs and gas procurement terms of the domestic industry, its inability to supply in jumbo bags (a disadvantage of about Rs 1.5-2 per kg to users), and its sale of practically its entire production of urea in the open market to earn subsidy (about Rs 3,723 crore in 2024-25). Para 120 of the disclosure statement contains an incomplete sentence on urea.

xi. Several statements in the application are contradicted by the applicant's own data. The applicant was found non-cooperative by the US Department of Commerce in a countervailing duty investigation (C-533-925). The Authority should record the scope of verification under Rule 8, including allocation of gas and common costs and exclusion of costs of Plants I and II, and should record whether the applicant imported the product from any source during the injury period.

xii. A return of 22% on capital employed cannot be applied mechanically. The capital employed of the domestic industry declined (index 100 to 62) with unchanged capacity; the Authority should confirm that idle and shared assets, including integrated urea and ammonia facilities, have been excluded. The non-injurious price must be determined in Indian Rupees and converted at the exchange rate prevailing when it is acted upon, as held at para 66 of the review judgment of the Hon'ble Gauhati High Court.

xiii. The Authority has not exhausted the market economy third-country options under paragraph 7 of Annexure I, and public information, such as the EU regulation, was available. Para 54 of the disclosure statement refers to the price paid or payable in India but describes a cost construction. The difference between the coal-based Chinese process and the urea-based process of the domestic industry has not been addressed.

xiv. About 75% of subject imports would attract the residual duty, since the cooperating producers account for only 25.47% of the imports. On the domestic industry's own figures, a 50% increase in the price of melamine would raise the cost of melamine formaldehyde resin by about 11.7%. Para 133 of the disclosure statement, which records that pass-on has not been established, contradicts para 138. The impact figures at para 134 have been wrongly computed. The Authority has wrongly held that none of the participating users is an MSME, since Pristine Melamine LLP has filed its MSME registration certificate, ILMA represents over 150 members who are mostly MSMEs, and 1,388 of 1,422 organised units in the plywood and panel sector are MSMEs. The cumulative effect of the parallel investigations on phenol and décor paper, the decisions of the Central Government not to impose duty in 2021 and 2022, Customs Notification No. 12/2026, and the absence of any capacity addition by the domestic industry despite 17 years of protection should be considered.

xv. Shandong Hualu-Hengsheng Chemical Co., Ltd. has submitted that it filed its questionnaire response within the extended time and has been listed at S.No. 8 of the sampling table at para 42, but has been omitted from the list of non-sampled cooperating producers at para 69. It has requested that it be included in the said list in the final findings.

xvi. The disclosure statement contains several errors: the sampling notice is dated 23.01.2026 while the sampled producers are stated to have been notified on 17.01.2026; para 45 refers to fifteen responding parties and nine responses, which is inconsistent with para 42; para 3 refers to "this preliminary finding"; para 113(iii) states that dumped imports displaced "the Chinese imports"; and para 118 refers to the "gas route". The Authority should also confirm that no post-period of investigation data has been relied upon.

xvii. The investigation should be terminated without imposition of duty. In the alternative, the duty should not exceed what is necessary to remove the injury caused by dumped imports.

K.2 Submissions made by the domestic industry

143. The domestic industry has made the following submissions in its comments on the disclosure statement:

i. The scope of the product under consideration as proposed in the disclosure statement should be confirmed. No evidence has been filed to show any material difference between the product of the domestic industry and the imported product on account of purity or production route.

ii. The injury claimed pertains only to Plant III. The domestic industry has furnished segregated data for domestic and export operations, and the net sales realisation has been determined after deducting discounts and outward freight, at the same level as the landed price.

iii. The factors listed by the other interested parties as alternative causes of injury are neither quantified nor supported by evidence. In terms of US – Hot-Rolled Steel and EC – Tube or Pipe Fittings, the obligation to separate and distinguish the effects of other factors arises only in respect of known factors supported by evidence on record.

iv. The capacity of melamine in China PR is about 22,00,000 MT and is expected to reach about 26,00,000 MT, against declining domestic demand in China. The capacity additions are export-oriented and India is a target market.

v. Chinese producers are backward-integrated into urea, which is subject to state trading, guided pricing and incentives reducing the cost by 150-160 Yuan per MT.

vi. The domestic industry invested about Rs 800 crore to expand its capacity from 15,000 MT to 55,000 MT. Due to dumped imports, two plants with a capacity of 15,000 MT had to be idled, and a further expansion of 40,000 MT involving an investment of over Rs 1,000 crore has been put on hold.

vii. The finding at para 133 of the disclosure statement that the users have not been able to establish pass-on is contrary to para 138, and the users operate on a pass-through basis. The finding should be revised.

viii. Technology is not a cause of injury. The domestic industry earned a profit of Rs *** per MT on its exports during the period of investigation, as against a loss of Rs *** per MT on its domestic sales, using the same plant.

ix. The anti-dumping duty should be imposed in the form of a fixed amount in US$ per MT, considering that the landed price declined by 49% while the cost of sales declined by only 2%, and that no PCN has been proposed. The benchmark (reference price) form of duty imposed earlier was evaded and proved ineffective. The duty should be imposed for a period of five years.

K.3 Examination by the Authority

144. The Authority has examined the post-disclosure comments of the interested parties. It is noted that most of these comments are reiterations of the submissions made earlier, which have already been examined and addressed at the relevant places in these findings. The issues raised afresh, or requiring further examination, are addressed below.

145. Interested parties have made various submissions and comments with regard to the injury analysis undertaken by the Authority. The Authority has examined the submissions so made and considers that the injury analysis undertaken in the present investigation adequately addresses the relevant issues and concerns raised by the interested parties. The Authority further notes that the assessment of injury is required to be undertaken on the basis of an overall evaluation of the various economic parameters and indicators relevant to the state of the domestic industry, and not on the basis of any single parameter in isolation.

146. The Authority further considers that it is not necessary that each and every injury parameter should demonstrate deterioration during the period of investigation or over the injury period. The injury analysis is required to be examined considering the data of the domestic industry over the injury period. The individual economic parameters may exhibit different trends depending upon the prevailing market conditions and the particular circumstances of the domestic industry. While certain parameters may show deterioration, other parameters may remain stable or may even show improvement. The interested parties have seen such movements in isolation, and these cannot be determinative of the overall injury suffered by the domestic industry. The Authority has however undertaken a holistic assessment of all relevant economic factors and indicators,

including their collective impact on the condition and performance of the domestic industry, in determining whether the domestic industry has suffered material injury.

Disclosure of essential facts and confidentiality

147. The Authority notes that the disclosure statement disclosed the essential facts forming the basis of the proposed determination. These included the basis and methodology for determination of the normal value, the adjustments made to the export price of each sampled producer, the dumping margins and injury margins in range, the actual volume of imports and demand, the injury parameters of the domestic industry in indexed form, the result of the price undercutting analysis, the methodology for determination of the non-injurious price, and the reasons of the Authority on each issue. The information withheld relates to the costs, prices and profitability of the sole domestic producer and of the individual sampled producers. Disclosure of such information in absolute terms would reveal the costs and prices of a single enterprise to its competitors and customers. The confidentiality claims were examined in terms of Rule 7 and accepted on good cause shown, and the non-confidential summaries have been provided in indexed or range form in accordance with Trade Notice 10/2018 dated 7th September, 2018 and the consistent practice of the Authority. Thus, all the essential facts under consideration which forms the basis for decision has already been disclosed under the provisions of Rule 16 and does not warrant supplementary disclosure.

Objectivity of the examination

148. The contention that the reasoning of the Authority is circular chain of reasoning is not correct. The dumping margin has been determined by comparing the constructed normal value with the export prices of the sampled producers, whereas the injury determination is based on the effect of the dumped imports on the prices and performance of the domestic industry. These are distinct determinations based on different information. The determination of injury rests on positive evidence, namely the verified data of the domestic industry and the transaction-wise import data of DG Systems, and on an examination of all the factors listed in Annexure II. The Authority has also examined the other known factors, as recorded in section H and below.

Price effect and negative price undercutting

149. Annexure II (ii) of the Rules requires the Authority to consider whether there has been significant price undercutting or whether the effect of the imports is otherwise to depress prices to a significant degree or prevent price increases which would otherwise have occurred. The requirements are alternative. In the present case, the landed price of the subject imports is marginally above the selling price of the domestic industry (by ***per MT, or 1%). However, the landed price declined from Rs 1,60,552 per MT in 2021-22 to Rs 82,139 per MT in the period of investigation, and remained below the cost of sales of the domestic industry (Rs ***per MT) in the period of investigation. The domestic industry, whose share in the Indian market declined to ***%, had no option but to align its prices with the landed price of subject imports, which account for ***% of the Indian demand.

150. With regard to the contention that the selling price of the domestic industry declined by 54% while the landed price declined by 49%, the Authority notes that the selling price of the domestic industry was about 10% higher than the landed price in the base year (Rs *** against Rs 1,60,552 per MT). By the period of investigation, it had been brought down to the level of the landed price (Rs ***against Rs 82,139 per MT). The larger percentage decline thus reflects the elimination of the price premium earlier enjoyed by the domestic industry, under the pressure of the dumped imports. It does not show that factors other than imports determined the prices of the domestic industry. The earlier findings relied upon by the interested parties concerned imports from other countries, on different facts, at a time when duties on imports from China PR were in force and the domestic industry was profitable. Each investigation is determined on its own facts.

Decline in global prices and export prices of the domestic industry

151. The Authority notes that a decline in the cost of raw materials would affect producers globally and would be reflected in the cost of the domestic industry as well. The cost of sales of the domestic industry is based on verified data and declined by 2% over the injury period, whereas the landed price of the subject imports declined by 49% and fell below the cost of sales of the domestic industry. The decline in the export prices of the domestic industry does not establish that the price of the subject imports in India was not dumped or not injurious. The regulation of the European Union relied upon by the interested parties itself relates to anti-dumping measures on imports of melamine from China PR.

Further, the non-injurious price has been determined on the basis of the best utilisation of raw materials, utilities and capacity, which neutralises any inefficiency or cost rigidity of the domestic industry.

Choice of base year and year-wise trends

152. The Authority has examined the contention that 2021-22 is not a representative base year. Even if the analysis is confined to the period from 2022-23 to the period of investigation, the following position emerges:
    i. imports from the subject country increased from 75,806 MT to 1,14,357 MT, i.e., by 51%;
    ii. the landed price of subject imports declined from Rs 1,15,559 per MT to Rs 82,139 per MT, i.e., by 29%;
    iii. the selling price of the domestic industry declined from Rs ***per MT to Rs ***per MT, i.e., by 22%, and remained below its cost of sales throughout;
    iv. the market share of the domestic industry declined from ***% to ***%; and
    v. the domestic industry suffered losses and a negative return on capital employed in each year.
153. The injury to the domestic industry is, therefore, established irrespective of the base year adopted. The Annexure II analysis does not require that each injury parameter deteriorate in every year of the injury period. The narrowing of the loss per MT in the period of investigation was due to a decline in the cost of sales, while the selling price continued to decline and remained below cost. The Authority has not relied upon any post-period of investigation data, as recorded at para 80. The request for bifurcation of the net sales realisation of 2021-22 is not considered necessary in view of the above.

Volume effect, exports and inventories

154. The Authority is required under Annexure II (iv) to evaluate all relevant economic factors having a bearing on the state of the domestic industry, irrespective of the claims made in the application. The determination of material injury in the present case rests on the totality of the parameters, principally the price depression and the deterioration in profitability, cash profits and return on capital employed. The volume parameters show that, while demand increased by 31%, the domestic sales of the domestic industry declined by 21% and its market share declined significantly (index 100 to 60). As regards exports, the export volumes of the domestic industry declined after 2022-23, yet its

domestic sales did not increase. This shows that the decline in domestic sales was not on account of diversion of production to exports. The decline in inventories, as recorded at para 103, is attributable to the reduction in production and to sales made by the domestic industry below its cost. It does not negate the price injury suffered by the domestic industry.

Plants I and II and capacity of the domestic industry

155. The Authority notes that the cost of sales and the non-injurious price have been determined excluding the costs relating to Plants I and II. The capacity and capacity utilisation have been examined on the basis of the installed capacity of the domestic industry. The Authority notes that, even if the capacity of Plants I and II were disregarded, the conclusions on price depression, losses, cash profits and return on capital employed, which are based on the costs of Plant III alone, would remain unaffected.

Other known factors

156. The Authority has further examined the other factors referred to by the interested parties:

i. Lapse of duty in September 2021: the expiry of the earlier duty is not a factor causing injury in itself. It is the context in which dumped imports from the subject country increased and displaced imports from other countries, as recorded at para 88.

ii. Demand-supply gap and capacity of the domestic industry: the existence of a demand-supply gap may explain the need for imports. It does not explain the price at which the imports have entered, nor the losses suffered by the domestic industry on the volumes it did sell.

iii. Packaging: the claimed disadvantage of about Rs 1,500-2,000 per MT on account of packaging is significantly lower than the gap between the cost of sales of the domestic industry and the landed price of imports (Rs ***per MT), and than the injury margins determined. Further, if such cost were added to the price of the domestic industry, as argued by the interested parties, the price undercutting would turn positive.

iv. Urea and natural gas: the injury analysis relates only to the melamine operations of the domestic industry. The domestic industry operated with unutilised capacity, and there is no evidence that its production of melamine was constrained by availability of urea. The use of APM gas for melamine has been examined at para 27. The non-injurious price has been determined in terms of Annexure III, which requires the allocation and apportionment of expenses to be examined for reasonableness.

v. Technology: the technology of Plants I and II cannot be a cause of injury, since their costs have been excluded from the analysis.

157. None of these factors, individually or collectively, is found to break the causal link between the dumped imports and the material injury suffered by the domestic industry.

Reliability of data and verification

158. The data of the domestic industry has been verified to the extent considered necessary, in accordance with Rule 8, with reference to its books of account and cost records. The findings of an authority of another jurisdiction in a countervailing duty investigation, in respect of a different period and issues, do not bear upon the verification of the data in the present investigation. The difference between the statements in the application and the verified data has no bearing on the determination, which is based on the verified data.

Non-injurious price, return on capital employed and exchange rate

159. The Authority has adopted a reasonable return of 22% on the average capital employed in accordance with Annexure III and its consistent practice, which has been upheld by the Hon'ble CESTAT, as recorded at para 82. No evidence has been placed on record to justify a departure. The capital employed has been considered for the product under consideration, and it has been ensured that no depreciation has been charged for facilities not deployed in the production of the subject goods. The non-injurious price has been determined in Indian Rupees and compared with the landed price for the determination of the injury margin, and the duty is recommended in US$ as a fixed amount, in accordance with the consistent practice of the Authority.

Normal value

160. The initiation notification invited the interested parties to offer comments on the selection of an appropriate market economy third country. No interested party provided verifiable information on the domestic price, constructed value or export price of the product in any market economy third country. The normal value has, therefore, been constructed on any other reasonable basis, as recorded at para 54, which has been suitably clarified. The

production route does not alter the product's characteristics or its end use, as held in section C.

List of cooperating producers and inclusion of Shandong Hualu-Hengsheng Chemical Co., Ltd.

161. The Authority notes that Shandong Hualu-Hengsheng Chemical Co., Ltd. and Sichuan Qing'an Materials Technology Co., Ltd. are listed in the sampling table at para 42 on the basis of their questionnaire responses, but were inadvertently omitted from the list of non-sampled cooperating producers. The said list has been corrected, and Yihua (Xinjiang) Material Trade Co., Ltd., being a part of the sampled Xinjiang Yihua group, has been removed from it. The non-sampled cooperating producers shall be subject to the weighted average margin determined for the sampled producers. The chronology of the sampling notices and the number of participating producers have also been corrected.

Indian industry's interest

162. The Authority has corrected the statement at para 133 of the disclosure statement, which was inconsistent with para 138. The figures at para 134 are as submitted by the domestic industry; the computation of the impact by the Authority is set out below. The Authority has further examined the impact of the duties now recommended, which range from US$ 245 to 403 per MT (i.e., about Rs 20.93 to 34.43 per kg, or 25% to 42% of the landed price of Rs 82.14 per kg). Considering the duty of US$ 257 per MT applicable to non-sampled cooperating producers and the residual duty of US$ 403 per MT, the impact on the cost of the downstream products is as under:

SN	Downstream product	Basis	Share of melamine in cost/price	Impact at US$ 257/MT	Impact at US$ 403/MT
1	Commercial plywood	SION norm 6.13 kg/m³; Rs 80,266/m³	0.62%	0.17%	0.26%
2	Veneer	SION norm 4.15 kg/m³; Rs 2,85,243/m³	0.12%	0.03%	0.05%
3	Laminate	SION norm 146 kg/m³; Rs 10,41,667/m³	1.14%	0.31%	0.48%

SN	Downstream product	Basis	Share of melamine in cost/price	Impact at US$ 257/MT	Impact at US$ 403/MT
4	Pigment	SION norm 0.18 kg/kg; Rs 750/kg	1.94%	0.53%	0.83%
5	Laminate (Century Plyboards)	EIQ data of user	***	0–1%	1–2%
6	Laminate (Merino)	EIQ data of user	***	0–1%	1–2%
7	Decorative laminate (Greenlam)	EIQ data of user	***	0–1%	1–2%
8	Melamine formaldehyde resin	DI estimate 0.5 kg/kg; Rs 162/kg	25.00%	6.78%	10.63%
9	MF glazing powder (Pristine)	EIQ data of user	***	5–10%	10–15%

163. It is seen that the impact on the cost of the principal downstream products, namely plywood, veneer, laminates and pigments, would be less than 2%. The impact on melamine formaldehyde resin and glazing powder, where melamine is the principal input, would be higher. However, as noted at para 138, the resin producers are in a position to pass on the increase in cost, and the impact at the level of the final products remains low.

164. As regards the MSME users, the Authority has taken note of the claim of Pristine Melamine LLP that it is registered as an MSME, and para 137 has been modified accordingly. The letters annexed as Exhibit 1 to the joint comments of ILMA and others are addressed to the Authority in the sunset review investigation concerning some other product and seek termination of that investigation. They do not relate to the present investigation and cannot be relied upon. The general information on the number of MSME units in the plywood and panel sector has not been accompanied by any information on the impact of the duty on such units. With regard to the parallel investigations on other inputs, each investigation is determined on its own facts, and no information quantifying the cumulative impact has been placed on record. The contentions regarding the earlier decisions of the Central Government and Customs Notification No. 12/2026 have already been examined at paras 28 to 32 and 130.

165. The interested parties have contended that the Hon'ble Gauhati High Court has held, in litigation concerning melamine and this very applicant, that the normal value, export price, margin of dumping and non-injurious price are essential facts that cannot be withheld under Rule 7, that a Division Bench of that Court has declined GSFC's application for "leave to appeal" against that direction, and that the Authority is, therefore, bound to give effect to the said order. The Authority notes that these directions were issued pursuant to the WP(C)No.6568/2017 filed, challenging following proceedings:

  i. Notification No. 14/35/2010-DGAD dated 01.06.2012 (original investigation findings: EU, Indonesia, Japan and Iran)
  ii. Notification No.15/17/2014-DGAD dated 05.12.2015 (final findings 2nd SSR: China)
  iii. Notification No. 7/14/2017-DGAD dated 22.09.2017 (initiation of SSR and interim recommendation: EU, Indonesia, Japan and Iran)

166. And consequently, the corresponding Customs Notifications were also challenged:

  i. Notification No.48/2012-Customs (ADD) dated 08.10.2012
  ii. Notification No.2/2016-Customs(ADD) dated 28.01.2016
  iii. Notification No.47/2017-Customs (ADD) dated 06.10.2017

167. The Authority notes that Notifications No.48/2012-Customs (ADD) dated 08.10.2012, Notification No.2/2016-Customs(ADD) dated 28.01.2016, Notification No.47/2017-Customs (ADD) dated 06.10.2017 have since expired by efflux of time.

168. GSFC and Union of India filed Writ Appeals No. 11/2020 and 12/2020 before Division Bench against the Judgment & Order dated 26.08.2019 passed in connection with W. P. (C) No.6568/2017. The writ appeal filed by the GSFC seeking leave to file appeal was dismissed, though granted liberty to seek permission for intervention in the writ appeal filed by the Union of India. Writ Appeal filed by Union of India (i.e., DGTR) was withdrawn with a liberty to challenge the order passed in Review Petition No.9/2020 as well. The Union did not file fresh Writ appeal.

169. The Authority notes that the directions of the Hon'ble High Court were issued in the context of the specific notifications challenged in WP(C) No. 6568/2017, all of which have since lapsed. The present case is a fresh investigation, based on a different period of

investigation and a different record, in which the Authority is required to discharge its obligations under Rules 7 and 16 with reference to the information on the record of this investigation. The contentions of Century Plyboards (India) Ltd. and other interested parties in the present investigation are examined below with regard to disclosure of normal value/export price/non-injurious price.

170. Rule 7(1) of the Anti-Dumping Rules provides as follows:

> *"**Confidential information-** (1) Notwithstanding anything contained in sub-rules (2), (3) and (7) of rule 6, sub-rule (2) of rule 12, sub-rule (4) of rule 15 and sub-rule (4) of rule 17, the copies of applications received under sub-rule (1) of rule 5, or any other information provided to the designated authority on a confidential basis by any party in the course of investigation, shall, upon the designated authority being satisfied as to its confidentiality, be treated as such by it and no such information shall be disclosed to any other party without specific authorization of the party providing such information."*
>
> *(2) The designated authority may require the parties providing information on confidential basis to furnish non-confidential summary thereof and if, in the opinion of a party providing such information, such information is not susceptible of summary, such party may submit to the designated authority a statement of reasons why summarization is not possible.*
>
> *(3) Notwithstanding anything contained in sub-rule (2), if the designated authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorise its disclosure in a generalised or summary form, it may disregard such information.*

171. The non-obstante clause in Rule 7(1) makes it clear that the Authority is obligated to maintain confidentiality while performing its functions under Rule 6(2) [public notice to known exporters], Rule 6(3) [providing a copy of the application to known exporters and governments of exporting countries], Rule 6(7) [obligation to make available only such evidence as is presented by interested parties], Rule 12(2) [public notice with preliminary findings], Rule 15(4) [notice of acceptance of undertaking] and Rule 17(4) [publishing of final findings]. It is clear that the obligation of confidentiality permeates the entire Anti-

Dumping Rules. This arises from India's treaty obligations under Articles 6.5.1, 6.5.2 and 12.2.2 of the Agreement on the Implementation of Article VI of General Agreement on Tariffs and Trade (the "WTO Anti Dumping Agreement") which emphasize the importance of maintaining confidentiality.

172. *Article 6.5 of WTO Agreement on Anti Dumping provides as under*

> *6.5Any information which is by nature confidential (for example, because its disclosure would be of significant competitive advantage to a competitor or because its disclosure would have a significantly adverse effect upon a person supplying the information or upon a person from whom that person acquired the information), or which is provided on a confidential basis by parties to an investigation shall, upon good cause shown, be treated as such by the authorities. Such information shall not be disclosed without specific permission of the party submitting it. [footnote omitted]*
>
> *6.5.1 The authorities shall require interested parties providing confidential information to furnish non-confidential summaries thereof. These summaries shall be in sufficient detail to permit a reasonable understanding of the substance of the information submitted in confidence. In exceptional circumstances, such parties may indicate that such information is not susceptible of summary. In such exceptional circumstances, a statement of the reasons why summarization is not possible must be provided.*
>
> *6.5.2 If the authorities find that a request for confidentiality is not warranted and if the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, the authorities may disregard such information unless it can be demonstrated to their satisfaction from appropriate sources that the information is correct. [footnote omitted]*

173. Article 6.5 of WTO Agreement on Anti Dumping provides that confidential information which would create significant competitive advantage to a competitor and has adverse effect on the person disclosing it shall not be disclosed without the permission of the person providing the information . The Authority notes that statute and statutory rules must be interpreted according to India's Treaty obligations. Anti-Dumping Rules must, therefore, be interpreted in light of WTO Agreement as held by Hon'ble Supreme Court

in the matter of ***Commr. of Customs v. G.M. Exports*****, (2016) 1 SCC 91. Relevant extract is reproduced below**

> "*...23.* A conspectus of the aforesaid authorities would lead to the following conclusions:
> *(1) Article 51(c) of the Constitution of India is a directive principle of State policy which states that the State shall endeavour to foster respect for international law and treaty obligations. As a result, rules of international law which are not contrary to domestic law are followed by the courts in this country. This is a situation in which there is an international treaty to which India is not a signatory or general rules of international law are made applicable. It is in this situation that if there happens to be a conflict between domestic law and international law, domestic law will prevail.*
> *(2) In a situation where India is a signatory nation to an international treaty, and a statute is passed pursuant to the said treaty, it is a legitimate aid to the construction of the provisions of such statute that are vague or ambiguous to have recourse to the terms of the treaty to resolve such ambiguity in favour of a meaning that is consistent with the provisions of the treaty.*
> *(3) In a situation where India is a signatory nation to an international treaty, and a statute is made in furtherance of such treaty, a purposive rather than a narrow literal construction of such statute is preferred. The interpretation of such a statute should be construed on broad principles of general acceptance rather than earlier domestic precedents, being intended to carry out treaty obligations, and not to be inconsistent with them.*
> *(4) In a situation in which India is a signatory nation to an international treaty, and a statute is made to enforce a treaty obligation, and if there be any difference between the language of such statute and a corresponding provision of the treaty, the statutory language should be construed in the same sense as that of the treaty. This is for the reason that in such cases what is sought to be achieved by the international treaty is a uniform international code of law which is to be applied by the courts of all the signatory nations in a manner that leads to the same result in all the signatory nations.*

48. We have already held that this would fly in the face of all the judgments referred to in paras 15 to 22 hereinabove, and Principles (3) and (4) of para 23 of this judgment which speak of how domestic legislation must be construed when it is made in furtherance of an international treaty. In particular, in the facts of these cases, it would also ignore the effect of Article 18.4 of the WTO Agreement, which expressly states that all the signatory member nations have to make their laws "conform" to the provisions of the WTO Agreement, something which the Central Government itself states in its internet website which deals with the law of anti-dumping…"

174. The Authority further notes that Hon'ble Supreme Court in the matter of **Union of India & Anr. Vs M/s. Meghmani Organics Ltd., (2016) 10 SCC 28** held that DA must not disclose the information which are already held by him to be confidential by duly accepting such a claim of any of the parties providing the information. While taking precautions not to disclose the sensitive confidential information, the DA can, by adopting a sensible approach indicate reasons on major issues so that parties may in general terms have the knowledge as to why their case or objection has not been accepted in preference to a rival claim. Relevant extract is reproduced below.

30. *We may only explain here that while dealing with objections or the case of the parties concerned, the DA must not disclose the information which is already held by him to be confidential by duly accepting such a claim of any of the parties providing the information. While taking precautions not to disclose the sensitive confidential information, the DA can, by adopting a sensible approach indicate reasons on major issues so that the parties may in general terms have the knowledge as to why their case or objection has not been accepted in preference to a rival claim. But in the garb of unclaimed confidentiality, the DA cannot shirk from its responsibility to act fairly in its quasi-judicial role and refuse to indicate reasons for its findings. The DA will do well to remember not to treat any information as confidential unless a claim of confidentiality has been made by any of the parties supplying the information. In cases where it is not possible to accept a claim of confidentiality, Rule 7 hardly leaves any option with the DA but to ignore such confidential information if it is of the view that the information is really not confidential and still the party concerned does not agree to its being made public.*

In such a situation the information cannot be made public but has to be simply ignored and treated as non est.

175. The Authority further notes that Honble Supreme Court in the matter of **Sterlite Industries (India) Ltd. v. Designated Authority, (2006) 10 SCC 386** held that confidentiality under Rule 7 is not something which must be automatically assumed. Of course in such cases there is need for confidentiality as otherwise trade competitors would obtain confidential information which they cannot otherwise get. But whether information supplied is required to be kept confidential has to be considered on a case to case basis. It is for the Designated Authority to decide whether a particular material is required to be kept confidential. Even where confidentiality is required, it will always be open for the appellate authority, namely, CEGAT to look into the relevant files. Relevant extract is reproduced below;

3. In our view, it is not necessary for us to go into the merits of this matter as we propose to send the matter back to CEGAT after laying down certain guidelines. From what has been argued before us, it appears that in pursuance of Rule 7 of the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Designated Authority is treating all material submitted to it as confidential merely on a party asking that it be treated confidential. In our view, that is not the purport of Rule 7. Under Rule 7, the Designated Authority has to be satisfied as to the confidentiality of that material. Even if the material is confidential the Designated Authority has to ask the parties providing information, on confidential basis, to furnish a non-confidential summary thereof. If such a statement is not being furnished then that party should submit to the Designated Authority a statement of reasons why summarisation is not possible. In any event, under Rule 7(3) the Designated Authority can come to the conclusion that confidentiality is not warranted and it may, in certain cases, disregard that information. It must be remembered that not making relevant material available to the other side affects the other side as they get handicapped in filing an effective appeal. Therefore, confidentiality under Rule 7 is not something which must be automatically assumed. Of course in such cases there is need for confidentiality as otherwise trade competitors would obtain confidential information which they cannot otherwise get. But whether information *supplied is required to be kept confidential has to be considered on a case-to-case basis. It is for the Designated Authority to decide whether a particular material is required to be kept confidential. Even where confidentiality is required, it will always be open for the Appellate Authority, namely, cegat to look into the relevant files.*

176. Authority notes that a harmonious construction of Rule 6, 7, 12, 15, 16 and 17 makes it evident that it is incumbent on the Designated Authority to disclose full explanation of the reasons for the methodology used in the establishment of the normal value, export price, dumping margin and non-injurious price and not necessarily the absolute figures themselves. The Authority further notes that the far-reaching consequence of disclosure of information specifically prohibited under Rule 7 of the Rules and Article 6.5 of the WTO Agreement may invite legal action by the concerned WTO Member before the WTO against Government of India and prevent cooperation and responses from foreign producers and the proceeding conducted by Authority will be termed as in violation of WTO agreement itself. Further, such disclosures may result in litigations by the interested parties (including domestic industry) before the Indian courts.

177. The Authority notes though the non obstante clause in Rule 7(1) does not expressly refer to Rule 16, yet, on a harmonious reading of the Rules, it applies equally to the disclosure under Rule 16. An information that cannot be disclosed either at the stage of initiation or during the course of the investigations or at the stage of final determination, if disclosed at the stage of Rule 16, will defeat the very purpose for which confidentiality has been granted under Rule 7. It is for the reason that not only disclosure statement is issued to all the interested parties, de-facto it becomes a public document forever and shall be available to any party in future. The Authority further notes that information which cannot be disclosed in the final findings cannot be disclosed at an earlier stage either. Therefore, in particular, normal value, export price, non-injurious price cannot be disclosed by the Authority even through disclosure statement. In the view of the Authority, it is precluded from disclosing the absolute figures of the normal value, export price, dumping margin and non-injurious price at any stage of the investigation, and the same have accordingly been disclosed in range. Otherwise, it would lead to a situation wherein the Authority would fall under an obligation to disclose and make available to all parties, with competing or conflicting interests, business related confidential information of a company

participating in the investigations, particularly when such company has not publicly disclosed such information and claimed it confidential and after examining the same in terms of Rule 7, the Authority accepted the claim of confidentiality. The disclosure of confidential information under Rule 16 in the form of normal value, export price, dumping margin and non-injurious price determined by the Designated Authority at the time of issuing disclosure statement would frustrate the object of Rule 7. The Authority also notes that while issuing the final findings, Authority is allowed to treat such information as confidential.

178. As regards the contention that the price undercutting table in the disclosure statement disclosed neither the landed price, nor the NSR, nor the amount of undercutting, nor any range, and stated only "Negative", the Authority notes as follows. Actual figure of NSR is confidential information as claimed by the domestic industry and accepted by Authority. The landed price has been determined from the transaction-wise import data received from DG Systems and has now been disclosed at para 90 of these final findings, along with the range of price undercutting. The Authority notes that the degree of price undercutting (marginal) has been disclosed in the para 92 of the disclosure statement. The Authority has held that "*It is seen that the landed price of imports from the subject country during the period of investigation is **marginally** higher than the net sales realisation of the domestic industry. Accordingly, the price undercutting from the subject country is marginally negative.*" The Authority notes that Annexure-II to the Rules requires the Authority to examine, with regard to the effect of the dumped imports on prices, whether there has been a significant price undercutting by the dumped imports as compared with the price of like product in India, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increase which otherwise would have occurred, to a significant degree. The disclosure of the landed price and of the range of price undercutting enables the interested parties to understand the extent of price undercutting, while protecting the net sales realisation of the sole domestic producer. The Authority notes in this regard that there may be injury to the domestic industry even if price undercutting is negative. The Authority stated in the disclosure and present final findings how the price undercutting has been determined and also shown the same in a tabular form for appreciation of the interested parties.

179. As regard the disclosure of constructed normal value, the net export price and the dumping margin in US$ per MT, Authority notes that normal value and export and dumping margin in absolute number is confidential, as examined above. Methodology for construction of normal value and export price and dumping margin range have been disclosed in the final findings. The normal value in range is between US$ 1,000–1,100 per MT,

180. As regard the disclosure of NIP, Authority notes that absolute number of NIP is confidential, as examined above. Methodology for determination of NIP has been disclosed in the disclosure statement in detail. The NIP is the parameter on the basis of which the injury margin is determined, and the injury margin has been disclosed in range. The non-injurious price however in range is between US$ 1,100–1,200 per MT,

181. As regards the disclosure of demand, the Authority considers that the information relating to demand was provided by the applicant on confidential basis. Further, Authority has determined demand on the basis of sales of the domestic industry and import volumes quantified by the Authority on the basis of DG Systems data. The Authority considers that since demand is determined based on domestic sales, and same has been claimed confidential by the applicant, the Authority could not have disclosed the same. Since the domestic industry is the sole producer in India and the import volumes have been disclosed, disclosure of the demand in absolute terms would reveal the domestic sales of the domestic industry. The information on trend of historical demand was provided by the domestic industry to the interested parties in its economic interest questionnaire. The interested parties have not made any meaningful submissions on the claims of the domestic industry. Therefore, no prejudice is caused to the interested parties by not reporting the same in the disclosure statement. The Authority further notes that this information is not relevant to determination of dumping, injury or causal link. The domestic industry has provided this information in the context of its claim on public interests. Notwithstanding, the Authority has disclosed the demand in range at para 85 of these final findings.

182. As regards the data produced at paragraph 132, the Authority considers that the information is based on the user questionnaire response, including the response filed by Century Plyboard India Limited. The Authority notes that the Century Plyboard India

Limited has itself claimed information as confidential and has now demanded that such information should be disclosed by the Authority.

183. As regards the information on per unit cost of sales and selling price for each year of the injury period, the information has been disclosed in trend. The applicant had claimed confidentiality over this information and had provided this information in trend. The Authority considers that the information constitutes business sensitive information regarding cost structure of the domestic industry and therefore, there is sufficient good cause for treating this information as confidential.

L. CONCLUSION

184. Having regard to the contentions raised, information provided and submissions made by the interested parties, and the facts available before the Authority as recorded in the above findings, the Authority concludes as follows:

i. The product under consideration is “Melamine”, and the subject goods produced by the domestic industry are like articles to the product imported from the subject country.

ii. The applicant, Gujarat State Fertilisers and Chemicals Limited, constitutes the domestic industry within the meaning of Rule 2(b) and satisfies the requirements of standing under Rule 5(3) of the Rules.

iii. The normal value for the subject country has been determined in accordance with paragraph 7 of Annexure I to the Rules. The subject goods have been exported to India from the subject country at dumped prices, and the dumping margins are positive and significant.

iv. The imports of the subject goods from the subject country have increased significantly in absolute terms, from 60,648 MT in 2021-22 to 1,14,357 MT in the period of investigation, and in relation to production and consumption in India.

v. The dumped imports have depressed the prices of the domestic industry to a significant degree. The landed price of the subject imports declined by 49% while the cost of sales of the domestic industry declined by 2%, and the domestic industry was compelled to reduce its selling price below its cost of sales.

vi. The domestic industry has suffered material injury, as evidenced by the decline in its production, capacity utilisation, domestic sales and market share, and the deterioration in its profitability and return on capital employed, which turned negative, while cash profits, though marginally positive during the period of investigation, remained insufficient to sustain the operations of the domestic industry.

vii. The other known factors have been examined and do not break the causal link. The material injury to the domestic industry has been caused by the dumped imports from the subject country.

viii. The injury margins are lower than the dumping margins for all the producers/exporters.

ix. The imposition of anti-dumping duty is not against the public interest.

185. The Authority, therefore, considers it appropriate to recommend the imposition of definitive anti-dumping duty on the imports of the subject goods originating in or exported from the subject country.

M. RECOMMENDATION

186. The Authority notes that the investigation was initiated and notified to all interested parties, and adequate opportunity was given to the domestic industry, the producers/exporters, the importers/users and other interested parties to provide information on the aspects of dumping, injury and causal link. Having determined a positive dumping margin, material injury to the domestic industry and a causal link between the dumped imports and the injury, the Authority is of the view that imposition of definitive anti-dumping duty is required to offset the dumping and the injury.

187. Having regard to the lesser duty rule followed by the Authority, the Authority recommends imposition of definitive anti-dumping duty equal to the lesser of the margin of dumping and the margin of injury. Accordingly, the Authority, in terms of Rule 17(1)(b) of the Rules, recommends imposition of definitive anti-dumping duty on imports of the subject goods originating in or exported from the subject country, for a period of five years from the date of notification to be issued by the Central Government in this regard, equal to the amount mentioned in column 7 of the duty table below:

DUTY TABLE

Non-confidential

SN	Heading	Description of goods	Country of origin	Country of export	Producer	Amount	Unit	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	2933 61 00	Melamine*	China PR	Any country including China PR	Huaqiang Chemical Group Stock Co., Ltd.	282	MT	US$
2	2933 61 00	Melamine*	China PR	Any country including China PR	Xinjiang Yihua Chemical Industry Co., Ltd.	245	MT	US$
3	2933 61 00	Melamine*	China PR	Any country including China PR	Xinjiang Xinlianxin Energy Chemical Co., Ltd.	248	MT	US$
4	2933 61 00	Melamine*	China PR	Any country including China PR	Xinji Jiuli Chemical Co., Ltd.	257	MT	US$
5	2933 61 00	Melamine*	China PR	Any country including China PR	Xinji Jiuyuan Chemical Co., Ltd.	257	MT	US$
6	2933 61 00	Melamine*	China PR	Any country including China PR	Sichuan Golden-Elephant Sincerity Chemical Co., Ltd.	257	MT	US$
7	2933 61 00	Melamine*	China PR	Any country including China PR	Shandong Hualu-Hengsheng Chemical Co., Ltd.	257	MT	US$

SN	Heading	Description of goods	Country of origin	Country of export	Producer	Amount	Unit	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
8	2933 61 00	Melamine*	China PR	Any country including China PR	Xinjiang Jinjiang Chemical Industry Co., Ltd.	257	MT	US$
9	2933 61 00	Melamine*	China PR	Any country including China PR	Weifang Changrun Chemical Co., Ltd.	257	MT	US$
10	2933 61 00	Melamine*	China PR	Any country including China PR	Any producer other than those mentioned at S. No. 1 to 10	403	MT	US$
11	2933 61 00	Melamine*	Any country other than China PR	China PR	Any	403	MT	US$

**The customs classification is indicative only and is not binding on the scope of the product under consideration.*

188. The application of the individual duty rates specified for the companies mentioned in the above duty table shall be conditional upon presentation to the customs authorities of a valid commercial invoice, on which shall appear a declaration dated and signed by an official of the entity issuing such invoice, identified by his/her name and function, drafted as follows:

'I, the undersigned, certify that the (volume) of Melamine sold for export to India covered by this invoice was manufactured by (company name and address) in China PR. I declare that the information provided in this invoice is complete and correct.'

189. If no such invoice is presented, the duty specified for "any other producer" in the duty table shall apply. This requirement is without prejudice to the verification procedures independently undertaken by the customs authorities under the applicable customs law and regulations.

Landed value

190. The landed value of imports for the purpose of these findings shall be the assessable value as determined by the Customs under the Customs Act, 1962, and includes all duties of customs except duties levied under Sections 3, 8B, 9, 9A, 9B and 9C of the Customs Tariff Act, 1975.

Further procedure

191. An appeal against the order of the Central Government arising out of these findings shall lie before the Customs, Excise and Service Tax Appellate Tribunal in accordance with Section 9C of the Act.

Digitally signed by Amitabh Kumar
Date: 28-09-2026 19:18:30

(Amitabh Kumar)
Designated Authority