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**F. No. 6/1/2021-DGTR  
Government of India  
Department of Commerce  
Ministry of Commerce & Industry  
(Directorate General of Trade Remedies)  
Jeevan Tara Building, Parliament Street, New Delhi – 110001**

Dated: 26.02.2021

**INITIATION NOTIFICATION**

**(Case No-AD (OI) 01/2021)**

**Subject: Initiation of anti-dumping investigation concerning imports of Melamine originating in or exported from the European Union, Japan, Qatar and the United Arab Emirates.**

1. M/s Gujarat State Fertilizers and Chemicals (hereinafter referred to as the 'applicant') has filed an application before the Designated Authority (hereinafter referred to as the Authority), on behalf of the domestic industry, in accordance with the Customs Tariff Act, 1975 as amended in 1995 and thereafter (hereinafter referred as the 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 "Rules"), for initiation of anti-dumping investigation concerning imports of "Melamine" (hereinafter referred to as 'subject goods' or 'product under consideration') originating in or exported from European Union, Japan, Qatar and United Arab Emirates (hereinafter referred to as 'subject countries').
2. The applicant has alleged that material injury is being caused to the domestic industry due to the dumped imports, originating or exported from the subject countries and has requested for the imposition of anti-dumping duties on the imports of subject goods, originating in or exported from the subject countries.

**Product under consideration**

3. The product under consideration in the present investigation is "Melamine". Melamine is a tasteless, odourless and non-toxic substance. Melamine is used for making melamine-formaldehyde, which in turn is used in producing downstream products. Melamine formaldehyde resin used in laminates offers hardness, resistance to scratch, stain, water and heat. Laminates used in some electrical applications possess high mechanical strength, good heat resistance and good electrical insulating properties. Asbestos filled Melamine resins possess very high dielectric strength and high

resistance. Besides the best dimensional stability, Melamine Formaldehyde moulding powder gives clear and bright colours, easily moldable and offers resistance to surface scratching.

4. The product under consideration has a dedicated code under Chapter-29 of the Customs Tariff Act, 1975 under heading 29336100.

#### **Like article**

5. The Applicant has claimed that the subject goods, which have been alleged to be dumped in India, are identical to the goods produced by the domestic industry. There are no known differences in the technical specifications, quality, functions and end use of the two products. The Authority notes that the two are prima facie technically and commercially substitutable. Hence, for the purposes of the present investigation, the Authority holds that the two should be treated as 'like article' under the Rules.

#### **Domestic industry**

6. The application has been filed by M/s Gujarat State Fertilizers and Chemicals Limited. The applicant has claimed that it has neither imported the subject goods from the subject countries nor are they related to any exporter or producer of the subject goods in the subject countries or any importer of the product under consideration in India. The applicant is the sole producer in India.
7. In view of the above, and after due examination, the Authority notes that the applicant constitutes eligible domestic industry in terms of the provisions of Rule 2(b) and the application satisfies the criteria in terms of Rule 5(3) of the Rules.

#### **Basis of Alleged Dumping**

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

8. The Applicant has claimed that the data relating to price in the subject countries is not available. The normal value has been thereby constructed based on best estimates of the cost of production of subject goods as per the best available information after duly adjusting selling, general & administrative expense with related profits.

##### **b. Export price**

9. The export price for subject goods for the subject countries have been computed based on the Directorate General of Commercial Intelligence and Statistics transaction-wise import data. Price adjustments have been made for ocean freight, marine insurance, commission, port expenses, bank charges and inland freight expenses. There is sufficient prima facie evidence with regard to the net export price claimed by the



Applicant.

**c. Dumping margin**

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

**Injury and causal link**

11. Information furnished by the applicant has been considered for assessment of injury to the domestic industry. The applicant has furnished evidence regarding the injury taken place as a result of the alleged dumping in form of increased volume of dumped imports in absolute terms and in relation to demand and imports in India, price undercutting and price suppressing and depressing effect on the domestic industry. The applicant has claimed that its performance has been adversely impacted in respect of sale, profitability, return on investment, accumulation of inventories, cash losses as a result of increase in imports of product under consideration at an injurious price for the domestic industry. There is sufficient *prima facie* evidence that the injury is being caused to the domestic industry by dumped imports from subject countries.

**Initiation of anti-dumping investigation**

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

**Subject countries**

13. The subject countries in the present investigation are European Union, Japan, Qatar and United Arab Emirates.

**Period of Investigation**

14. The applicant has proposed the period of investigation as 1<sup>st</sup> April 2019 – 30<sup>th</sup> September 2020 (18 months). The injury investigation period has been proposed to cover the periods 1<sup>st</sup> April 2016-31<sup>st</sup> March 2017, 1<sup>st</sup> April 2017-31<sup>st</sup> March 2018, 1<sup>st</sup> April 2018-31<sup>st</sup> March 2019 and the period of investigation.
15. Rule 5 (3A) of the AD Rules states the following:  
*“The period of investigation shall, -*  
(i) *not be more than six months old as on the date of initiation of investigation;*  
(ii) *be for a period of twelve months normally and for reasons to be recorded in writing, the designated authority may consider a minimum of six months or maximum of eighteen months”*
16. A longer period of investigation is appropriate in the present investigation since trade in the first and second quarter of 2020-21 was impacted by Covid-19. A longer period would be more appropriate to assess the injury to the domestic industry caused due to the alleged dumped imports. In view of the above, period of investigation (POI) adopted by the Authority for the present investigation is 1<sup>st</sup> April 2019 to 30<sup>th</sup> September 2020 and the injury period will cover the periods 1<sup>st</sup> April 2016 – 31<sup>st</sup> March 2017; 1<sup>st</sup> April 2017 – 31<sup>st</sup> March 2018; 1<sup>st</sup> April 2017 – 31<sup>st</sup> March 2018 and the period of investigation.

### **Procedure**

17. Principles as stated under Rule 6 of the said Rules shall be followed in the present investigation.

### **Submission of information**

18. In view of the special circumstances arising out of COVID-19 pandemic, all communication should be sent to the Designated Authority via email at email address [adg11-dgtr@gov.in](mailto:adg11-dgtr@gov.in), [adv11-dgtr@gov.in](mailto:adv11-dgtr@gov.in), [ddl3-dgtr@gov.in](mailto:ddl3-dgtr@gov.in) and [ddl6-dgtr@gov.in](mailto:ddl6-dgtr@gov.in). It should be ensured that the narrative part of the submission is in searchable PDF/ MS Word format and data files are in MS Excel format.
19. The known producers/exporters in the subject countries, Government of the subject countries through their Embassies in India, the importers and users in India known to be concerned with the subject goods are being informed separately to enable them to file all the relevant information in the form and manner prescribed within the time-limit set out below.
20. Any other interested party may also make its submissions relevant to the investigation in the form and manner prescribed within the time-limit set out below.
21. Any party making any confidential submission before the Authority is required to



make a non-confidential version of the same available to the other parties.

### **Time Limit**

22. Any information relating to the present investigation should be sent to the Designated Authority via email at the email addresses [adg11-dgtr@gov.in](mailto:adg11-dgtr@gov.in) , [adv11-dgtr@gov.in](mailto:adv11-dgtr@gov.in) [ddl3-dgtr@gov.in](mailto:ddl3-dgtr@gov.in) and [ddl6-dgtr@gov.in](mailto:ddl6-dgtr@gov.in) within 30 days from the date of the receipt of the notice as per the Rule 6(4) of the Rules. It may, however, be noted that in terms of explanation of the said Rule, the notice calling for information and other documents shall be deemed to have been received one week from the date on which it was sent by the Designated Authority or transmitted to the appropriate diplomatic representative of the exporting countries. If no information is received in the prescribed time-limit or the information received is incomplete, the Authority may record its finding on the basis of the facts available on record in accordance with the Rules.
23. All the interested parties are hereby advised to intimate their interest (including the nature of interest) in the instant matter and file their questionnaire responses within the above time limit.

### **Submission of Information on Confidential Basis**

24. Any party making any confidential submission or providing information on confidential basis before the Authority, is required to simultaneously submit a non-confidential version of the same in terms of Rule 7(2) of the Rules. Failure to adhere to the above may lead to rejection of the response / submissions.
25. The parties making any submission (including Appendices/Annexures attached thereto), before the Authority including questionnaire response, are required to file Confidential and Non-Confidential versions separately.
26. The “confidential” or “non-confidential” submissions must be clearly marked as “confidential” or “non-confidential” at the top of each page. Any submission made without such marking shall be treated as non-confidential by the Authority, and the Authority shall be at liberty to allow the other interested parties to inspect such submissions.
27. The confidential version shall contain all information which is by nature confidential and/or other information which the supplier of such information claims as confidential. For information which is claimed to be confidential by nature or the information on which confidentiality is claimed because of other reasons, the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed.
28. The non-confidential version is required to be a replica of the confidential version with

the confidential information preferably indexed or blanked out (in case indexation is not feasible) and summarized depending upon the information on which confidentiality is claimed. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons why summarization is not possible must be provided to the satisfaction of the Authority.


29. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied that the request for confidentiality is not warranted or if the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, it may disregard such information.
30. Any submission made without a meaningful non-confidential version thereof or without good cause statement on the confidentiality claim shall not be taken on record by the Authority.
31. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorization of the party providing such information.

#### **Inspection of Public File**

32. A list of registered interested parties will be uploaded on DGTR's website along with the request therein to all of them to email the non-confidential version of their submissions to all other interested parties since the public file will not be accessible physically due to ongoing global pandemic.

#### **Non-Cooperation**

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

  
(Anant Swarup)  
Designated Authority