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Voice of FIPPI

INDIAN WOOD & ALLIED PANELS

Volume 19 • Issue 4

A Quarterly Journal on Plywood and Panel Industry

October - December 2025

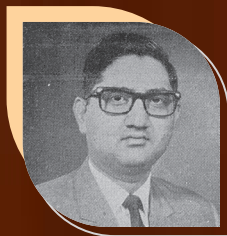
The Federation Story – Six Decades of Leadership & Advocacy (Presidents of FIPPI Since 1961)



A.K. Kaderkutty (1961-63)
Western India Plywood Ltd.
Kerala



G.L. Kedia (1964-65)
Jayshree Timber Products
Kolkata



P.D. Chitlangia (1966-67)
Duroply Industries Ltd.
(Formerly Sarada Plywood
Industries Pvt. Ltd.), Kolkata



H.K. Vissanji (1968-69)
Indian Plywood Manufacturing
Co. Ltd., Mumbai



B.K. Khaitan (1970-71)
Andamans Timber
Industries Ltd., Kolkata



L.N. Dokania (1972-73)
Palghar Plywood Products
Ltd., Bombay



A.K. Kaderkutty (1974-75)
Western India Plywood Ltd.
Kerala



B.N. Kapur (1976-77)
Crossley & Towers (P) Ltd.
Kolkata



M.M. Jalan (1978-79)
Arunachal Plywood
Industries Ltd., Kolkata



H. Thomson (1980-81)
Plywood Products
Sitapur



S.L. Goenka (1982-83)
Arunachal Forest Products
Pvt. Ltd., Kolkata



K.S. Laully (1984-85)
Indian Plywood Manufacturing
Co. Ltd., Mumbai



M.L. Periwal (1986-87)
National Plywood Industries
Ltd., Kolkata



H.V. Sarda (1988-90)
Wood Craft Products Ltd.
Kolkata



M.M. Jalan (1991-2000)
Arunachal Plywood
Industries Ltd., Kolkata



S.P. Goenka (2001-04)
Kitply Industries Ltd.
Kolkata



Sajjan Bhajanka (2004-24)
Century Plyboards India Ltd.
Kolkata



Rajesh Mittal (2024-Present)
Greenply Industries Ltd.
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Indian Wood & Allied Panels is published four times a year.

Printed & Published by **Federation of Indian Plywood & Panel Industry (FIPPI)**.

Processed & Printed at **Polykam Offset**, C-138, Naraina Industrial Area, Phase – I, New Delhi-110028, India.

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FIPPI was glad to attend the seminar on “Decoding Quality Control Orders (QCOs)” organised by RIS on 18 November 2025



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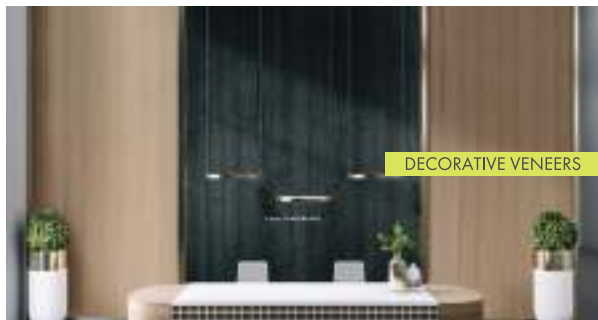


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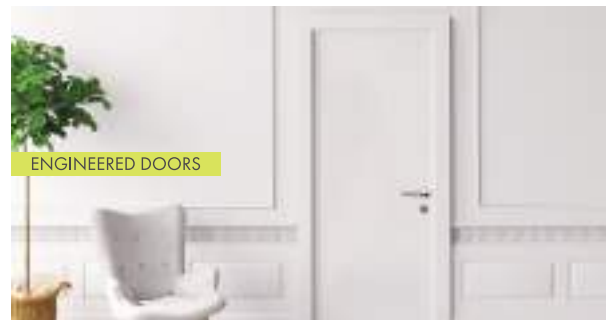
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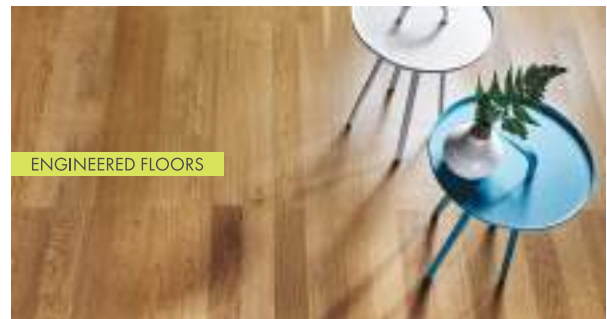
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The Federation Story – Six Decades of Leadership & Advocacy

The journey of the Federation of Indian Plywood and Panel Industry (FIPPI) reflects the evolution of India's wood-based panel sector itself — a narrative shaped by entrepreneurship, policy transitions, material innovation, and collective purpose. Established at a time when India was laying the foundations of self-reliance, FIPPI emerged as the unified voice of an industry poised for national contribution. Over six decades, it has grown from an industry forum into an institution that bridges government and enterprise, advances sustainable practices, champions technological progress, and strengthens India's position in the global panel landscape.

This chapter traces the institutional evolution of FIPPI as the collective voice of India's plywood and panel industry—highlighting its role in policy advocacy, standard-setting, industry coordination, and sustainability leadership over six decades.

Genesis of FIPPI – From Idea to Institution

As India's plywood industry began expanding beyond regional boundaries, it became increasingly evident that fragmented representation could no longer address the sector's growing challenges. While regional plywood manufacturers' associations worked effectively within their respective geographies, the industry required a common national platform—one that could coordinate policy engagement, promote scientific development, support

exports, and represent the collective interests of wood-based industries before the Government.

This vision led to the formation of the Federation of Indian Plywood & Panel Industry (FIPPI), the apex representative body of India's plywood and panel sector. FIPPI was formally inaugurated on 2 November 1961 in Calcutta by Shri Manubhai Shah, the then Union Minister of Industry, Government of India. From its inception, the Federation was recognised by the Government as the All-India voice of the plywood and wood-based panel industry and positioned the Federation as a credible platform with national resonance.

A Strategic Shift to the National Capital

As policy formulation and regulatory decisions increasingly emanated from Central Government offices, FIPPI's leadership recognised the need for closer engagement with national institutions. Accordingly, the Federation shifted its headquarters from Calcutta to New Delhi in July 1963 — placing itself closer to key ministries and enabling direct dialogue with government departments on transport, customs duties, forest conservation, environmental norms, and tree plantation policies.

The Federation was subsequently registered in the Union Territory of Delhi, receiving its certificate of registration from the Registrar of Societies in 1969. This strategic relocation

The Inception of FIPPI, 1961



Inauguration of FIPPI held on 2 November 1961 in Calcutta by Shri Manubhai Shah, the then Union Minister of Industry, Govt. of India.

strengthened FIPPI's role as an effective bridge between industry and government.

Founding Objectives: Building an Industry Institution

FIPPI was conceived not merely as an association, but as an institution to guide the scientific, economic, and structural development of India's plywood and panel industry. Its founding objectives were broad and forward-looking, encompassing:

- Coordination among plywood factories and regional associations
- Liaison with Central and State Governments on policy, forestry, taxation, transport, and trade
- Promotion of quality, standardisation, and scientific manufacturing practices
- Market research, publicity, and export development
- Encouragement of research, innovation, and skill development
- Prevention of unhealthy competition and sub-standard production

Together, these objectives laid the foundation for a cohesive, responsible wood panel industry in India.

Membership: Strength Through Representation

FIPPI began its journey with seven manufacturer members, gradually expanding as the value of collective representation became evident. Membership was structured into three categories:

- Ordinary Members: Manufacturers of plywood and other wood-based panel products
- Associate Members: Traders and allied industries
- Affiliated Members: Regional associations of wood-based panel manufacturers

By 1962, the Federation had grown to 16 members, and over the decades, its reach expanded steadily.

Torchbearers of Progress – Presidents Who Defined the Path

"Institutions endure because of ideas—but industries advance because of people."

FIPPI's story is also the story of its leaders — visionaries who expanded its reach, strengthened advocacy, and guided the industry through evolving economic, environmental, and regulatory landscapes.

Together, these leaders did not merely guide FIPPI; they shaped an industry. Through their vision, resilience, and unwavering commitment to science, quality, and sustainability, they ensured that the Indian plywood and panel sector evolved on firm foundations—capable of competing globally while serving national priorities.

Each President left a distinctive imprint — from strengthening export competitiveness to driving standardisation, advancing sustainability, and deepening government-industry cooperation.

At the very core of this journey stands Dr. D. Narayana Murti, universally acknowledged as the Father of Composite Wood Research in India and the founding Director of IPIRTI, Bengaluru. His pioneering scientific work transformed plywood and panel manufacturing from a craft-based activity into a technology-driven industry. By establishing IPIRTI as a national hub for research, training, and innovation—alongside industry visionaries such as Shri K.S. Lauly, Shri A.K. Kaderkutty, and Shri M.M. Jalan—Dr. Murti ensured the availability of trained managers, technologists, chemists, and researchers who would run the industry on sound scientific principles. His contribution remains unparalleled, earning him rightful recognition as one of the founding fathers of the Indian plywood industry itself.

FIPPI's leadership legacy is equally defined by its founding President, Shri A.K. Kaderkutty, a visionary who combined industrial entrepreneurship with institution-building. As Founder President of FIPPI and a key force behind IPIRTI, he played a seminal role in shaping policy, standards, and technology adoption across the sector. Serving as President for two terms, Shri Kaderkutty was actively involved in nearly all committees responsible for formulating Indian Standards for wood-based panel products. In 1945, he started The Western India Plywoods Ltd., at Baliapatam, which has grown by leaps and bounds and is today, one of the biggest wood based industrial complexes in the country. The promotion and the tremendous success of the company is undoubtedly linked to the initiative, foresight and the scientific bend of mind of Sri. A.K. Kaderkutty. His insistence on quality, standardisation, and indigenous capability gave the industry a strong scientific and regulatory backbone. He was also a pioneer in manufacturing high-end products such as hardboard and knock-down furniture, and among the first to establish in-house R&D facilities and indigenous resin plants producing PF, UF, and MUF resins in India.

Another towering figure, Shri K.S. Lauly, served as President for one term and was a pioneer in value-added, high-technology panel products. He led the way in manufacturing composites, flat particle boards, and tubular particle boards, demonstrating that Indian manufacturers could match global technological benchmarks. His contributions reinforced the industry's confidence in innovation-led growth.

Equally influential in shaping the industry's scientific and quality foundations was Shri P.D. Chitlangia. He was one of the most influential figures in the formative years of India's plywood and panel industry, known for his unwavering commitment to quality, research, and institutional development. As the driving force behind Sarda Plywood

Industries Ltd. (now Duroply Industries Ltd.), established in 1957, he helped build one of India's earliest and most respected plywood brands. Beyond enterprise leadership, Shri Chitlangia rendered exceptional service to the industry as the longest-serving Chairman of the Indian Plywood Industries Research & Training Institute (IPIRTI), where his strong scientific orientation and insistence on research-led manufacturing significantly shaped the industry's technical foundations. His tenure strengthened IPIRTI's role as a national centre for testing, training, and innovation, embedding a culture of quality assurance and continuous improvement across the sector. As President of FIPPI, he also represented India internationally, including participation in the FAO Committee on Wood-Based Panel Products in Rome in 1966—one of the earliest global engagements of Indian plywood leadership.

A special and enduring place in FIPPI's history belongs to Shri M.M. Jalan, a living legend of the Indian plywood industry. Serving as President for five terms—during some of the most turbulent years the industry has faced—Shri Jalan's leadership proved decisive, particularly during the aftermath of the 1996 Hon'ble Supreme Court judgment that brought forest-based industries in the North-East to a near standstill. At a time when many entrepreneurs chose to relocate, Shri Jalan remained in Arunachal Pradesh, steadfastly pursuing the industry's cause. For over three years, he relentlessly engaged with the Hon'ble Supreme Court, often at great personal and business cost, to safeguard the future of the sector. His later pioneering work in bamboo composite boards further expanded the material base of India's panel industry, aligning innovation with sustainability.

Collectively, these stalwarts rendered yeoman service to the industry by encouraging the indigenous development of plywood and panel manufacturing machinery—ranging from veneer lathes, dryers (roller, jet, band, and veneer dryers), vertical slicers, glue spreaders, DD saws, multi-daylight hydraulic presses, to extrusion technologies for tubular particle boards. They were also among the first to establish state-of-the-art in-house R&D facilities and resin plants, enabling the domestic production and use of thermosetting synthetic resins and elevating Indian manufacturing standards.

Their influence extended beyond national boundaries. In 1972, owing largely to their untiring efforts, the United Nations' FAO organised the first World Consultation on the Panel Product Industry of Afro-Asian Countries in New Delhi—an event that firmly positioned India on the global map of wood-based panel manufacturing.

Carrying this formidable legacy into the modern era, FIPPI entered a phase of institutional consolidation, sustainability-led growth, and global alignment under the long and impactful stewardship of Shri Sajjan Bhajanka.

A name synonymous with progress, Shri Sajjan

Bhajanka represents a defining phase in FIPPI's leadership. Rising from modest beginnings in Assam to becoming one of India's foremost industrialists, his journey reflects resilience, foresight, and a deep commitment to sustainable nation-building. Beginning with a small veneer unit in Tinsukia, Assam, he co-founded Century Plyboards (India) Ltd. in 1986, which under his leadership emerged as India's leading manufacturer of plywood, MDF, laminates, and particleboard—setting benchmarks in quality, innovation, and sustainability.

Longest-Serving President of FIPPI (2004–2024)

Shri Bhajanka is the longest-serving President in FIPPI's history, leading the Federation for nearly two decades during a period of major regulatory and environmental transition. He firmly embedded sustainability into industry strategy by championing agroforestry and Trees Outside Forests (ToF), reducing reliance on natural forests.

As a Board Member of IPIRTI and Chairman of its Research Advisory Committee, he promoted productivity enhancement, waste reduction, and quality improvement. Under his leadership, FIPPI worked closely with MoEF&CC and other government bodies, played a key role in aligning BIS standards with international benchmarks, advanced eco-certification, skill development, and encouraged the adoption of MDF and particleboard to ease pressure on forest resources.

His contributions have been widely recognised, including the Lifetime Achievement Award, Best CEO Award (Business Today, 2023), and Honorary D.Litt. degrees. In 2025, he was conferred the Padma Shri, honouring his outstanding service to India's plywood and panel industry.

Guided by his philosophy, "Sarvada Sarvottam" (The Best—Always), Shri Sajjan Bhajanka's presidency marked FIPPI's transition into a modern, sustainability-driven, globally aligned institution—leaving a legacy that continues to shape the industry's future.

The legacy forged by these pioneering leaders became the enduring foundation upon which successive Presidents of FIPPI have continued to build. Their collective vision transformed FIPPI from a fledgling association into a resilient, institutionally respected voice of the industry—anchored in scientific rigor, policy engagement, and collective responsibility.

At present, the Federation is led by Shri Rajesh Mittal, under whose Presidentship FIPPI has continued its forward momentum. In the past year, his guidance has further strengthened the Federation's institutional presence, enhanced stakeholder engagement, and reinforced its commitment to standards, sustainability, and industry advocacy—building steadily upon the strong foundations and guiding the Federation with continuity, credibility, and purpose.

(Presidents of FIPPI Since 1961)



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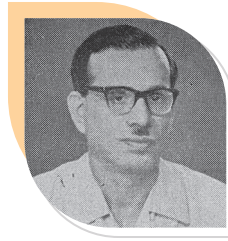
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Shaping an Industry: FIPPI's Role in the Formative Years

In its earliest years, the Indian plywood industry was largely driven by the requirements of tea packaging. However, as manufacturing capabilities matured, it became evident that the industry could evolve well beyond this limited application—serving domestic civilian and defence needs and eventually competing in international markets.

In its earliest phase, the Indian plywood industry was closely tied to the requirements of tea packaging. However, as manufacturing capabilities matured, it became evident that the industry could evolve well beyond this limited application—serving domestic civilian and defence needs and eventually competing in international markets. Recognising this latent potential, the Federation of Indian Plywood & Panel Industry (FIPPI) emerged as a catalyst, guiding the industry's transition from a narrow functional role to a diversified industrial sector.

Early Export Vision and Global Outreach

One of FIPPI's earliest and most consequential initiatives came in 1963, when the Federation proposed an overseas market study to explore export opportunities for Indian plywood. The proposal was accepted by the Ministry of Commerce, Government of India, which extended financial support through a grant of ₹10,000 from the Plywood Industry Voluntary Cess (PIVC) Fund.

Subsequently, a five-member Indian plywood delegation, led by Late Shri A. K. Kaderkutti, undertook a market study tour covering West Asia, East Africa, and the United Kingdom. The visit proved to be a landmark effort, resulting in confirmed export orders worth ₹6,62,345—secured despite intense international competition. Beyond immediate commercial gains, the delegation's detailed

report provided valuable inputs that helped the Government shape export policy for plywood and allied products across both developing and developed markets.

Encouraged by this success, FIPPI institutionalised export promotion by systematically collecting overseas import data through Indian embassies. Information on buyers, consumption trends, quality standards, packaging requirements, and pricing was regularly shared with members. In parallel, the Federation kept the industry informed of technological developments in leading global wood-based sectors.

To further strengthen international visibility, FIPPI initiated the development of a dedicated publicity brochure on Indian plywood. Supported by a grant of ₹21,000 from the Government of India's Marketing Development Fund—supplemented by a ₹7,000 contribution from the Federation—the professionally produced brochure was widely circulated among foreign buyers and Indian missions abroad. This effort not only generated sustained export enquiries but also facilitated greater exposure to global technologies and best practices.

Institutional Representation & Global Policy Engagement

FIPPI played a key role in policy advocacy and institutional engagement at both national and international levels. The Federation was an active member of the Plywood Industry Voluntary Cess Committee, and its leadership represented India at global forums, including the FAO Committee on Wood-Based Panel Products. The Ministry of Food & Agriculture nominated the President of FIPPI as India's representative, with the first FAO session held in Rome from 12–14 December 1966, attended by Mr. P.D. Chitlangia, the then President of FIPPI & Managing Director of Sarda Plywood Industries Limited.

MEMBERS OF THE FAO COMMITTEE ON WOOD - BASED - PANELS

1st Session held in Rome, 12th to 14th Dec, 1966



Shri P. D. Chitlangia, President of the Federation of Plywood Industry attended the 1st Session as India's Representative (Front row, L. to R. third).

2nd Session held in Rome, 6th to 8th Nov, 1968



Shri H. K. Vissanji President of the Federation of Indian Plywood & Panel Industry attended the 2nd session as India's Representative (Front row L. to R. fourth).

The second session of the FAO Committee, held in Rome from 6–8 November 1968, was attended by the then President of FIPPI, Shri H.K. Vissanji, who actively participated in the deliberations and presented two technical papers at the FAO's invitation.

National Recognition and Industry Confidence

FIPPI's growing influence was also reflected in strong governmental engagement in the country. The Sixth Annual General Meeting of the Federation of Plywood Industry was held on 2nd April 1968 and was inaugurated by Shri Fakhruddin Ali Ahmed, the then Union Minister for Industrial Development and Company Affairs. The Minister highly appreciated the work undertaken by the Federation and observed that organisations such as FIPPI could play a vital role in promoting the use of wood-based panels and in addressing imbalances in the utilisation of forest resources.

The Seventh Annual General Meeting of the Federation was held on 16 April 1969 and was inaugurated by Hon'ble

Shri K. K. Shah, the then Minister of Health, Family Planning, Works, Housing & Urban Development. The Minister commended the industry's proactive steps toward quality assurance, particularly the establishment of research laboratories in Bangalore and Calcutta. Expressing strong confidence in the sector's future, he remarked:

"With the spirit of co-operation that I find pervading amongst the producers of your industry and the far-sighted policies which the Federation is following in handling the vital subjects like the Industry's Voluntary Cess, I have no doubt Mr. President that the Indian Wood Panel Industry will continue to make valuable contributions in the uplift of the economy of the country"

Policy Advocacy and Capacity Building

On the domestic front, the Federation maintained close coordination with key government bodies such as the Directorate General of Technical Development (DGTD). Through persistent representation, FIPPI contributed to

VI Annual General Meeting of the Federation



Shri Fakhruddin Ali Ahmed Union Minister for Industrial Development & Company Affairs arriving at the Ashoka Hotel to inaugurate the function (Centre) also seen in the picture are Shri G. L. Kedia (Past President), Shri H. K. Vissanji (Vice President), Shri P. D. Chitlangia (President), Shri G. B. Deshpande (Secretary).



Shri Fakhruddin Ali Ahmed Union Minister for I.D. & C.A. inaugurating the session. Seated on the dais l. to r. Shri L. N. Dokania, Shri P. D. Chitlangia (President FPI), Shri H. K. Vissanji and Shri B. K. Khaitan.



Shri P. D. Chitlangia President FPI reading his Welcome Address.



A view of the delegates & Guests attending the session.

VII Annual General Meeting of the Federation

(L to R) -Shri Kishor Vithaldas, Shrt A. K. Kaderkutty, Shri K. B. Parekh, Shri B. K. Khaitan (Vice President), Dr. B. Shah (Industrial Adviser, DGT, Govt. of India), Hon'ble Shri K.K. Shah, Union Minister for Health, Family Planning, Works & Housing & Urban Development, Shri. H.K. Vissanji, President, Shri. G.L. Kedia, Shri L.N. Dokania (Vice President), Shri N.P. Mohta & Shri P.N. Sehgal.



Hon' ble Shri K. K. Shah delivering his Inaugural Address.



Shri H. K. Vissanji President FIPPI reading his welcome address.



A view of business session of the Annual General Meeting of FIPPI Shri H. K. Vissanji, President, in the Chair.

several important policy outcomes—including the ban on export of rosewood logs, reduction in excise and import duties, reclassification of the wood-based industry from Schedule IV to Schedule I. With efforts of the Federation the Government permitted the import of huge quantity of logs from 1985 to conserve the indigenous forest resource.

In view of shortage of Formaldehyde resins on request and initiative of the Federation of Indian Plywood & Panel Industry, the Ministry of Commerce, Government of India had included "Methanol" in the shopping list of Plywood exporters vide Public Notice NO: 196-ITC/(PN)73 dated 19.11.1973 issued by the Chief Controller of Import & Exports to enable exporters of Plywood to import Methanol through STC (State Trading Corporation) against Advance/REP Release order and get "Mathanol" converted to Formaldehyde and/or resin an adhesive for Plywood manufacturing units.

Exhibitions, Consultations, and Knowledge Platforms

The Federation actively promoted Indian wood-based

products through national and international platforms. It secured exhibition space at the National Building Organisation (NBO) Display Centre, where a curated display of timber products received high appreciation from the Hon'ble Minister of Works, Housing & Urban Development. Building on this visibility, FIPPI organised a dedicated Plywood Exhibition at the NBO, New Delhi, at the New Assembly Hall during the IXth Commonwealth Forestry Conference, held from 16–25 January 1968.

The Federation further expanded its international outreach by participating in the 3rd Asian International Trade Fair (Asia '72) at Pragati Maidan, New Delhi, in collaboration with CAPEXIL. In parallel, a Federation representative participated in the ILO Tripartite Technical Meeting on the Woodworking Industry in Geneva, serving as an Employees' Delegate nominated by the All India Organisation of Industrial Employees.

FIPPI also played a significant role in global technical consultations. It was an active member of the Indian Organising Committee for the 3rd World Consultation on

The Plywood Exhibition held during the IX Commonwealth Forestry Conference from 16th – 25th Jan 1968.



Shri Annasahib P. Shinde Union Minister of State for Food & Agriculture inaugurating the Exhibition. Also seated on the dais are Shri Vasantarao Patil, President MPCC, Shri Hari Singh Inspector General of Forests Shri P.D. Chitlangia President & Shri H. Thomson Managing Partner Plywood Products Sitapur.

Wood-Based Panels, held in India from 6–16 February 1975, which was jointly organised by the Food and Agriculture Organization (FAO) and the Government of India. The Federation participated in the consultation in close collaboration with industry members.

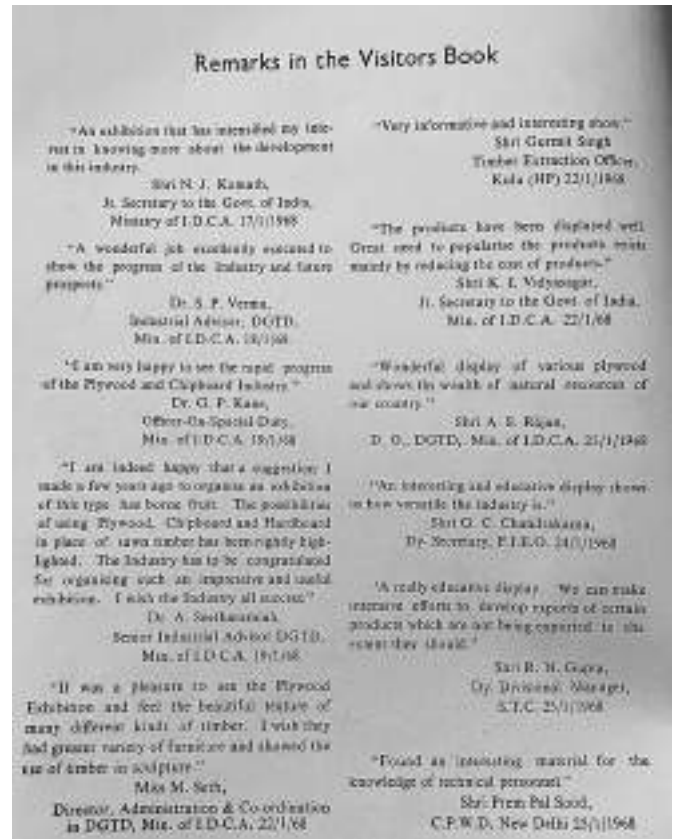
In 1979, at the request of the Government of India, FAO approved a project under its Technical Cooperation Programme to assist in the modernisation of the Indian plywood and panel industry. The FAO project was formally signed by the Inspector General of Forests, and its implementation was entrusted to FIPPI. The FAO Project Team Leader assumed charge in mid-March 1980, marking a critical phase of technological and institutional support for the sector.

The Federation continued its involvement as a member of the Organising Committee for the FAO/UNDP Technical Consultation on Wood-Based Panels held in New Delhi in January 1983.

At the policy level, the Ministry of Industry constituted a Development Panel in 1984 to review the status of the wood-based industry in India. Several specialised sub-committees—covering raw materials, plywood, particleboard, and other segments—were formed under this panel. FIPPI was an active contributor to these bodies and later to the Development Council for Plywood and Other Panel Products, constituted on 19 November 1993 and operational until 19 November 1995. FIPPI emerged as a trusted knowledge partner, shaping policy through data-driven inputs and industry insight.

Strengthening Standards and Sustainability

Considering the importance of standardization, the



Federation has been closely associated with Bureau of Indian Standards and guides the government on matters of quality and standardization. The Federation also co-sponsored the National Conference on Standardisation and Quality Upgradation of Lignocellulosic Panel Products, organised by the Bureau of Indian Standards (BIS) in New Delhi on 29–30 December 1992. Further strengthening its engagement on raw material security, FIPPI, in collaboration with the Indian Institute of Forest Management (IIFM), Bhopal, organised a National Seminar on Raw Material Supply to the Paper and Lignocellulosic Panel Products Industry: Captive Plantation, held on 22–23 March 1993, followed by a review meeting on 21 April 1993.

The Federation conducted studies on raw material availability in Kerala, Karnataka, and the North-Eastern states, providing critical inputs to both Central and State Governments for plantation policy development. On sustainability, FIPPI extended wholehearted cooperation in afforestation and regeneration programmes, particularly for species vital to panel manufacturing. It also disseminated global best practices to members by tracking technological advancements in countries such as Finland, Japan, Canada, the UK, the USA, and China.

In later years, FIPPI actively engaged with the Government of India in efforts to revive plywood manufacturing activities in the Northeastern region, which had ceased following the Hon'ble Supreme Court order dated 12 December 1996, banning tree felling and wood-

based production in the region.

Through sustained advocacy, international engagement, technical leadership, and institutional credibility, FIPPI helped transform the Indian plywood and panel industry—from a sector rooted in packaging needs into a diversified, export-capable, and policy-aware industrial ecosystem. The foundations laid during these formative years continue to shape the industry's trajectory even today.

IPIRTI – Five Decades of Pioneering Research, Training & Institutional Transition

The Indian Plywood Industries Research & Training Institute (IPIRTI) has been one of the most influential institutions in shaping India's plywood and panel industry. Its genesis is closely woven into the nation's plywood history. When India was still dependent on plywood imports in the early 20th century, the need for a specialised research body and trained technical workforce grew increasingly urgent. Responding to the 1947 Tariff Board recommendation, the Government of India created the Plywood Industry Voluntary Contribution Committee (PIVCC) to mobilise funds for an industry-led research centre.

This effort culminated in the establishment of the Indian Plywood Manufacturers' Research Association (IPMRA) in 1961, which formally began functioning as a research institute in 1962 under the leadership of its first Director, Dr. D. Narayana Murty—a visionary often regarded as the pioneer of composite wood technology in India. Over time, the institute evolved through multiple phases, becoming IPMRA → IPIRA → IPIRTI, before adopting the name Indian Plywood Industries Research & Training Institute (IPIRTI) in 1992 to reflect its expanded mandate in both R&D and skilled manpower development. The new premises of the Field Station of the Indian Plywood Industries Research Association at Calcutta was inaugurated by His Excellency Shri Dharma Vira, Governor of West Bengal on 25th November 1968. The function was presided by Shri A. K. Kaderkutty, President Indian Plywood Industries Research Association and attended by eminent industrialists, scientists, government dignitaries, businessmen and other distinguished guests.

Under the Ministry of Environment & Forests (MoEF) from 1990, IPIRTI strengthened India's scientific capacity in adhesives, panel product development, testing standards, and training. With advanced facilities in Bengaluru, a field station in Kolkata, and a testing centre in Mohali, the institute became a national centre of excellence supporting innovation, certification, and industry-ready skill development for several decades. Its Mechanical Wood Industries Technology programmes, along with FAO/UNDP-assisted initiatives, helped India build a highly trained technical workforce for the wood-based panel sector.

Together, IPIRTI and FIPPI formed the twin pillars of research and representation for India's panel industry.

Inauguration of the Field Station of the Indian Plywood Industries Research Association at Calcutta on 25th November 1968.



IPIRA Field Station at Calcutta.



L to R (1) Shri B.K. Khaitan, (2) Dr. D. Narayanamurthy, (3) H.E. Shri Dharma Vira, (4) Shri A.K. Kaderkutty, (5) Shri B.N. Kapur.

Merger with IWST in 2022– A New Institutional Chapter

In 2022, IPIRTI underwent a major structural transition when it was merged with the Institute of Wood Science and Technology (IWST) under the Indian Council of Forestry Research and Education (ICFRE). This merger aligned the institute more closely with India's broader forestry research ecosystem, integrating plywood and panel-product research with holistic wood science, sustainability, and forest-based innovation. Under ICFRE, the combined institution now works with an expanded mandate—strengthening scientific research, technology transfer, and skilled manpower development while supporting India's growing wood-based panel industry with a unified, future-ready research framework.

FIPPI as a Catalyst for Knowledge, Innovation, and Industry Convergence

FIPPI has consistently served as a convenor of ideas and innovation by organising landmark platforms such as PANELEXPO, which brought together global and domestic

stakeholders to showcase advancements in engineered wood products, adhesives, manufacturing technologies, and sustainability-driven solutions.

PANELEXPO represented one of the earliest structured initiatives to integrate Indian panel manufacturers with global technologies, international quality benchmarks, and evolving policy perspectives. These forums created a shared space for dialogue, learning, and collaboration across the value chain.

The discussions and exchanges initiated through

such platforms played a formative role in shaping industry standards, encouraging indigenous innovation, and strengthening cooperation between industry, research institutions, and government. These guiding principles continue to underpin FIPPI's approach today.

Through its active participation and leadership in knowledge-driven platforms, FIPPI has consistently advanced its core pillars—quality compliance, standardisation, skill development, and sustainability—while reinforcing the industry's commitment to innovation, regulatory alignment, and responsible growth.

PanelExpo: A Landmark Forum in FIPPI's History - A Legacy of Dialogue and Innovation



PANEL EXPO 2005



PANEL EXPO 2007



PANEL EXPO 2009





PANEL EXPO 2011

Collaborations & Institutional Roles

FIPPI contributes to national and global policy forums through memberships that include:

- Federation of Indian Chambers of Commerce & Industry (FICCI)
- Bureau of Indian Standards (BIS)
- FAO Advisory Committee on Paper & Wood Products
- CAPEXIL – Export Promotion Council
- Indian Plywood Industries Research & Training Institute (IPIRTI)
- Working Group on Forestry – Tenth Five-Year Plan (2002–07)
- Committee on Marketing & Trade of Bamboo (Planning Commission)
- National Technology Mission for Bamboo Development

These collaborations have strengthened India’s presence in global wood-panel dialogues and guided national decisions on forestry, manufacturing, and trade.

Defining the Road Ahead: FIPPI’s Vision, Mission & Strategic Framework

In 2024, the Federation of Indian Plywood & Panel Industry (FIPPI) formally articulated its Vision, Mission, and Five Thematic Goals, reflecting both the legacy it carries and the future it seeks to build. These guiding statements mark a strategic milestone—aligning the industry’s aspirations with sustainability, innovation, policy leadership, and global competitiveness.

Vision

“Empowering the growth, sustainability, and global competitiveness of the Indian Plywood and Panel Industry through collaboration, innovation, stewardship and advocacy”

FIPPI envisions a future where India’s plywood and panel ecosystem is defined by sustainability, technological advancement, and global competitiveness — an ecosystem where collaboration, stewardship, and innovation reinforce

each other. The Federation believes that India’s wood-based panel sector must not only serve domestic needs but also reflect the nation’s capabilities on the world stage, setting benchmarks for quality, responsibility, and resource efficiency.

Mission

“To make FIPPI a robust organisation representing all firms, companies, corporations, associations, and individuals engaged in the ‘Plywood & Panel’ industry in India nationally and internationally, promoting their interests, fostering cooperation among members, and advocating for policies and institutions to support the sector’s growth, quality, competitiveness, sustainability, and stewardship”.

Its mission is to advocate for policies that advance the sector’s interests; to enable continuous improvement in manufacturing, standards, and technology; to promote sustainable sourcing and environmental responsibility; and to serve as a platform where industry knowledge, research, and innovation are shared openly.

FIPPI remains committed to building an industry that is competitive, future-ready, and environmentally aligned — one where progress is powered by collaboration, stewardship, and informed advocacy.

What We Stand For: FIPPI’s Five Thematic Goals



Over the past six decades, FIPPI has evolved into the most influential voice of India's wood-based panel industry. Its work today rests on five interconnected thematic goals—each shaped by sustained policy dialogue, industry engagement, and collaborative leadership.

1. **Enhance Membership Engagement & Improve Communication Channels:** FIPPI has always been an institution built for the industry and by the industry. Its membership spans manufacturers of all scales and regional associations. Through continuous engagement — seminars, consultations, trade meets, technical sessions, and national-level conferences — the Federation ensures that members remain informed, connected, and empowered.

It acts as a central forum where diverse viewpoints converge, where industry challenges are collectively resolved, and where every member, whether a legacy enterprise or an emerging manufacturer, finds representation and support. Strong membership engagement strengthens the industry's collective influence in national policy and global markets.

The Federation participates in industry exhibitions including IndiaWood and MATECIA and continue to highlight that wood-based panel products are among the most sustainable materials—supporting agroforestry, farmers, and rural livelihoods.

2. **Innovations, Product Standardization and Implementation of Quality Control Order (Products):** FIPPI's collaboration with institutions such as the Bureau of Indian Standards (BIS), Institute of Wood Science & Technology (IWST), and other technical bodies has played a pivotal role in raising India's quality benchmarks. From adhesive technology to testing protocols and IS standards, the Federation has consistently encouraged research-driven practices and technology adoption.

It has championed the need for standardisation, contributed to Quality Control Order (QCO) discussions, and supported manufacturers in upgrading their processes to meet global norms. The Federation's technical partnerships, expert committees, and knowledge-sharing platforms have made innovation not merely an aspiration but a shared culture across the industry.

3. **Policy Advocacy & Institutional Change:** Policy dialogue has been at the heart of FIPPI's mission since its inception. The Federation has represented the industry before the Central and State governments on crucial issues such as raw material access, transport regulations, import policy, excise rules, environmental frameworks, and


forestry legislation. Its long-standing presence in committees, working groups, and advisory councils reflects its credibility as an industry representative.

4. **Trade & Taxation:** FIPPI has played a crucial role in strengthening India's manufacturing and trade ecosystem. FIPPI is actively pushing for the rationalization of Goods and Services Tax (GST) on plywood & panel products manufactured from farm-grown timber, proposing a reduction from 18% to 5%. It has worked closely with export promotion bodies like CAPEXIL, participated in global wood-panel forums, and facilitated international delegations that opened new trade pathways. Through market insights, trade guidance, and industry-wide coordination, FIPPI continues to help manufacturers enhance their competitiveness both domestically and abroad.
5. **Sustainability Initiatives:** Sustainability is deeply embedded in FIPPI's identity. The Federation has been a strong advocate of agroforestry, Trees Outside Forests (ToF), and plantation-based timber, recognising them as essential for long-term raw material security and climate resilience. FIPPI has also supported eco-certification, responsible sourcing, and environmental compliance, aligning India's panel industry with global sustainability goals. Its advocacy for green practices, combined with its focus on R&D and resource-efficient manufacturing, continues to guide the industry's transition toward a low-carbon, circular future.

Looking Ahead – A Federation Ready for the Future

As FIPPI enters its seventh decade, the industry stands at a pivotal inflection point. FIPPI's future priorities include:

- Expanding agroforestry and strengthening the national raw material base
- Promoting eco-certifications and global quality compliance
- Supporting the industry through R&D partnerships and technological innovation
- Guiding members through emerging standards, such as mandatory BIS certifications
- Developing the next generation of skilled professionals
- Elevating India's position as a trusted global hub for plywood and panel products

The Federation's story is ultimately one of aspiration and advancement — a collective built by pioneers, strengthened by collaboration, and driven today by a vision for a greener, technologically stronger, globally competitive India. 



42nd Annual General Meeting of FIPPI

The Federation of Indian Plywood and Panel Industry (FIPPI) convened its 42nd Annual General Meeting (AGM) on 15 December 2025 in a virtual mode. The primary objective of the meeting was to review the Federation's activities and initiatives undertaken during the preceding year, assess progress on key industry and policy matters, and deliberate on the strategic direction and action plan for the forthcoming period. The meeting was attended by office bearers, members, patrons, representatives of regional associations, and invited experts, who engaged in constructive discussions on issues critical to the growth, compliance, sustainability, and competitiveness of the plywood and panel industry.

The meeting agenda comprised a Welcome Address by the President, FIPPI, followed by the Action Taken Report on the proceedings of the 41st Annual General Meeting of FIPPI held on 6 November 2024. The members were informed that four meetings of the FIPPI Management Committee had been convened since the last AGM, held on 22 November 2024, 17 January 2025, 10 July 2025, and 15 October 2025. The agenda further included the consideration and approval of the financial statements of FIPPI, covering the expenditure for the financial year ending March 2025 and the budget for the financial year 2025-26, and the tentative budget for the financial Year 2026-27, as well as the approval of an amendment to the membership fee structure, revising the minimum annual subscription fee from Rs. 1,00,000/- to Rs. 50,000/-.

Under the additional agenda, the members received a presentation by the Director, Institute of Wood Science and Technology (IWST) on the proposal titled "Clonal Development Specific to the Plywood and Panel Industry", followed by a briefing by Bharat Buildcon, spearheaded by the Ministry of Commerce and Industry, covering details of the exhibition layout, stall options, and key participation information.

Presidential Address by Rajesh Mittal, President, FIPPI & CMD, Greenply Industries



The President welcomed all Patrons, Office Bearers, Managing Committee members, industry representatives, and members to the 42nd AGM of FIPPI. He highlighted that the past year had been highly eventful and productive for the Federation—one in which we strengthened our institutional foundation, expanded our

capabilities, and advanced the collective interests of the plywood and panel industry.

Since the last AGM, we have convened four Managing Committee meetings to review progress and ensure timely action on all commitments. Our strategic roadmap—built around the five thematic pillars of i) Membership & Communication, ii) Innovations, Product Standardization and Implementation of Quality Control Order (Products), iii) Policy Advocacy, iv) Trade & Taxation, and v) Sustainability—has guided our work throughout the year.

Over the past year, FIPPI has undergone significant institutional growth. Our new office at Vikrant Tower, New Delhi is now fully operational, and we have expanded our professional team under the leadership of Dr. M. P. Singh and Dr. C.N. Pandey. This has enabled us to take up work at a much larger scale.

Over the past year, FIPPI has strengthened membership

activities—now standing at 44 primary members, 20 affiliated associations, and 1 associate member. We aim to further expand this network to ensure a unified national voice for the industry. We have enhanced our visibility across social media platforms and industry networks, published four issues of the FIPPI Magazine, and advanced major initiatives including the FIPPI Coffee Table Book and our new website. We also strengthened our presence at industry exhibitions including IndiaWood and MATECIA and continue to highlight that wood-based panel products are among the most sustainable materials—supporting agroforestry, farmers, and rural livelihoods.

In the area of Product Innovations, Standards & QCO implementation, FIPPI has worked closely with IWST and BIS on revisions of plywood, particleboard, MDF, and door standards. FIPPI has actively supported MSMEs through technical handholding, assistance in licensing, and strengthening testing infrastructure—including the cluster lab initiative. To gain global insights, a FIPPI delegation undertook a Study Tour on Production and Quality Excellence to Vietnam (7–10 April 2025). We continue to advocate with BIS for awareness programs in collaboration with regional associations to strengthen compliance across the country.

As a part of its policy advocacy efforts, FIPPI has submitted a detailed representation to Hon'ble Minister Shri Piyush Goyal requesting the reconstitution of the Development Council for Plywood and Other Panel Products under the Industries (Development & Regulation) Act, 1951. We have also submitted key recommendations on:

- National Timber Policy & a dedicated Agroforestry Act & Development of Agroforestry Board

- Relaxation of transit for farm-grown timber
- Carbon Credit Framework.

Under Trade and Taxation, FIPPI is actively pushing for the rationalization of Goods and Services Tax (GST) on plywood & panel products manufactured from farm-grown timber, proposing a reduction from 18% to 5%. In this regard, FIPPI has submitted representations to the Hon'ble Union Ministers, Secretaries of key Ministries, GST Council and MOEF&CC for Inclusion of All Products under Chapter 44 & Wooden Furniture (HSN Code 9403) under 5% GST Slab – On Account of their 'Sustainability Credentials'. We also submitted recommendations for the Union Budget 2026–27, including basic customs duty reforms to support domestic industry.

FIPPI, in line with its long-term sustainability vision, has made substantial progress. We have received plantation data from several member industries and published it in the FIPPI magazine. We have also commissioned a major project with ICFRE to develop a methodology for agroforestry-based carbon offset projects under India's Carbon Market. A national workshop on Carbon Offset Methodologies was held in October 2025. A study tour on Raw Material Sustainability to Vietnam was organized in April 2025. We are advocating for a dedicated Agroforestry Facilitation & Promotion Act to support long-term raw material security. Looking ahead, we plan to introduce quarterly sustainability reporting, through a standard format for plantation, production, and number of saplings distributed, and organize sustainability workshops.

This has been a year of consolidation, technical advancement, policy influence, and increased visibility for the Federation.

I thank all members, our Patrons, office bearers, and the dedicated FIPPI Secretariat for their continued support.

I now request our Director General, Dr. M.P. Singh, to take up the deliberation as per agenda items and present the Action Taken Report.



Dr. M. P. Singh welcomed all the members to the 42nd Annual General Meeting of FIPPI. He informed the members that FIPPI had its last AGM in November 2024. Dr. M.P. Singh thanked the President, FIPPI for the overview and informed the members that the detailed Action Taken Report and presentations had already

been shared with all the members. Therefore, he requested members to give suggestions and guidance on the five thematic areas which have already been elaborated and briefed by the President, FIPPI. Dr. Singh invited members to give their observations and suggestions on the roadmap of FIPPI.

Dr. M.P. Singh requested Shri Sajjan Bhajanka, Chief Patron, FIPPI & Chairman, Century Plyboards, to share his guidance with the members.



Shri Sajjan Bhajanka congratulated and appreciated the efforts of Shri Rajesh Mittal and Dr. M. P. Singh for their significant role in establishing the FIPPI office. He acknowledged their contribution in building a dedicated team and ensuring the smooth and effective functioning of the office. He

also expressed his sincere gratitude to all members and patrons of FIPPI for their support in this initiative. Shri Bhajanka noted that it was a matter of immense pride and satisfaction to witness the strong and growing association of members with FIPPI. He further expressed confidence that the Federation's membership across various categories would continue to increase in the future.

Shri Sajjan Bhajanka emphasized the need to further strengthen the Federation by expanding its membership base, noting that a strong association is essential for effective engagement with the Government and for protecting industry interests. He reiterated that plywood and panel products are fundamentally agro based, as plantation wood constitutes nearly 95% of the raw material (wood) with adhesive content below 5%, and therefore qualifies for consideration under the 5% GST category. He stressed that this position should be properly and convincingly represented to the Government, supported by a clear legal or authoritative opinion from the GST authorities, to avoid compliance risks, penalties, or loss of customer confidence.

He also highlighted emerging challenges relating to melamine and phenol, recalling that during 2017–18 the industry had collectively mounted a strong association-led defense that prevented adverse anti-dumping duty impositions. He emphasized the need for a coordinated approach at the association level, including engagement of a strong legal team and preparedness to address the matter through DGTR proceedings, Ministry of Finance notification, and, if required, judicial review after final notification. Expressing strong optimism about India's economic growth in the plywood and panel products sector in the next 20 years and the rapid expansion of housing and infrastructure, he stated that the current Indian market represents only the tip of the iceberg and concluded that the plywood and panel industry should target fivefold growth over the next ten years, achievable through unity, regulatory discipline, and collective effort.

Shri Sajjan Bhajanka expressed confidence in the sustained growth of the industry, noting that when a country's economy transitions from USD 3 trillion to USD 5

trillion, it is accompanied by significant structural changes and developmental momentum. He observed that India is currently in this phase, having reached approximately USD 4 trillion, and stands as the world's fifth-largest economy, with a strong trajectory to become the third-largest globally.

He once again congratulated all members for their collective efforts and emphasized the importance of continued collaboration and unity to further strengthen and advance the growth of the industry.

Dr. M.P. Singh requested Shri Myan Mohammad, Managing Director, Western India Plywood to share his guidance as Western India Plywood is one of the founding members of the federation.



Shri Myan Mohammad expressed his pleasure to attend this meeting. He acknowledged that FIPPI has grown in strength and noted the positive progress made by the Federation. He highlighted the issue of exemption given to agro-board under Chapter 44, particularly concerning agro waste, noting that certain products are being

cleared at a concessional GST rate of 5%. He explained the interpretation of "agro waste" and suggested that similar relief could be explored for MDF, hardboard, and softboard manufacturers. He recommended that FIPPI obtain a legal opinion on the existing notification to assess the feasibility of availing the 5% GST rate for eligible products. He appreciated the active participation of members, stated that FIPPI is on the right track, and reaffirmed members' continued support to the Federation.

Dr. M. P. Singh requested Patrons, FIPPI, Shri N. K. Aggarwal, Chairman, Action Tesa and Shri Moiz Vagh, Managing Director, Hunsur Plywood Works, to share their guidance and insights with the members.



Shri N. K. Aggarwal, Patron FIPPI & Chairman, Action Tesa, appreciated the efforts of FIPPI in bringing various segments of the industry onto a common platform and facilitating discussions on key issues concerning the sector. He emphasized that agro-forestry and agro-waste should be treated as a single

category for policy formulation and GST purposes and urged the Federation to actively pursue this matter with the Government.

He advised the industry to transition towards the use of technical urea, cautioning that failure to do so could lead to

potential challenges for the sector.

He concurred with the views expressed by Shri Sajjan Bhajanka and reiterated the importance of maintaining an optimistic outlook towards the continued growth of the industry.

He emphasized the need for internal reforms and regulatory compliance within the industry and suggested forming a dedicated agro forestry/plantation group under FIPPI to promote tree plantation and sapling distribution to farmers, ensuring sustainable timber supply and long-term industry growth.



Shri Moiz Vagh, Patron, FIPPI & Managing Director, Hunsur Plywood Works, appreciated the enthusiasm and efforts of all members in attending the 42nd Annual General Meeting of FIPPI, stating that the strong participation is a positive sign for the Federation. He thanked the members for their active interest and engagement in

such meetings.

He further highlighted that the industry is currently facing challenges related to raw material availability and emphasized the need to understand and address this issue at the earliest possible time. He also drew attention to the flush door issue, noting that flush door constitutes a significant part of the industry alongside plywood and MDF. He expressed that we are not part of the flush door committee at present and requested that the issue of flush doors should be taken up. Shri Vagh explained that while the raw materials and resins used in flush doors are similar to those used in plywood, the primary difference lies in the timber core used in flush doors. He requested members to share their views and insights on this matter.

Dr. M. P. Singh, responding to the concerns raised by Shri Moiz Vagh, informed the members that FIPPI has consistently highlighted the issue of flush door regulations before the Director General, BIS, and has submitted multiple representations and communications to BIS. He stated that the Federation has requested the transfer of flush doors to the CED-20 Committee of BIS and expressed optimism in this regard, citing positive feedback received from the Director of CED.

Dr. Singh further explained that the CED-11 Committee currently comprises members from other sectors, which has limited the availability of appropriate technical expertise to address flush door-related issues effectively. He informed the members that a meeting on this subject had already been held in Surat with Gujarat-based manufacturers. He also noted that BIS has issued QCO orders for flush doors without adequate stakeholder consultation.

He emphasized that discussions on flush doors have not received the same level of preparation and attention as other products such as plywood, MDF, and particle board. He added that the matter has been raised with both DPIIT and BIS and expressed hope that the ongoing efforts of the Federation would lead to a satisfactory resolution.

Dr. M.P. Singh informed members that FIPPI had a meeting with the Secretary, Chemicals and Fertilizers. Dr. Singh ensured that the industry is largely supportive of the transition to technical-grade urea (TGU) and confirmed that FIPPI will continue engaging with stakeholders to facilitate this shift and remains committed to cooperating with the Government of India ensuring proper regulation, traceability, and responsible usage of technical-grade urea in accordance with BIS standards, environmental norms, and the Fertilizer (Control) Order, 1985 (FCO) under the Essential Commodities Act, 1955 (ECA).

Dr. M.P. Singh requested Vice Presidents, FIPPI, Shri Keshav Bhajanka, Executive Director, Century Plyboards, and Shri Jikesh Thakkar, Senior Vice President, Rushil Décor, to share their views.



Shri Keshav Bhajanka, Vice President, FIPPI, & Executive Director, Century Plyboards, stated that the past year had been transformational for the Federation, with significant growth in its strength and influence. He noted that FIPPI has actively taken up and highlighted the issues faced by the industry and appreciated

the leadership of Shri Rajesh Mittal and Dr. M. P. Singh in effectively addressing key industry concerns. He specifically acknowledged the important initiatives undertaken in areas such as standardization-related matters with BIS and membership expansion.

He expressed confidence that under the leadership of Shri Rajesh Mittal and the guidance of Dr. M. P. Singh, FIPPI would continue to progress and strengthen further. He emphasized that the Federation has a long journey ahead and congratulated all members for their collective efforts and valuable contributions towards its growth.



Shri Jikesh Thakkar, Vice President, FIPPI, & Senior Vice President, Rushil Décor, concurred with the views expressed by Shri Sajjan Bhajanka and Shri Rajesh Mittal, stating that while the industry has a strong growth potential, greater focus is required on government lobbying and

policy support. He also highlighted key constraints such as raw material availability and logistics and emphasized the need for concerted efforts to address these issues.



Shri Jinendra Jain, Senior Sustainability Advisor, FIPPI, shared a sustainability formula to determine plantation requirements based on the production capacity of individual industries. Members were requested to submit their plantation data in the prescribed format already circulated to the industries.

Dr. Singh invited members to give their observations and suggestions on the roadmap of FIPPI. He informed that, based on decisions taken in the last two Executive Committee meetings, all Regional Heads have been advised to facilitate the enrolment of new members from their respective regions.



Shri Ashok Agarwal, President, Plywood Manufacturers Welfare Association (U.P), expressed his appreciation to Shri Rajesh Mittal and Dr. M.P. Singh for developing a strong framework for the plywood industry and emphasized the importance of larger industry players supporting smaller units for collective growth. He

appreciated the efforts of FIPPI and assured the Federation that he would endeavor to facilitate the enrolment of a few new members in the federation. He also highlighted the need to focus on plantation development and the effective implementation of carbon credit mechanisms in India, noting that this could benefit farmers, improve timber availability, and help reduce raw material costs for the industry. He suggested that FIPPI may consider taking this issue forward for long-term industry benefit.

Dr. M. P. Singh informed that FIPPI has assigned a one-year project to ICFRE to develop a methodology for carbon trading through agro-forestry in India, and a related workshop has already been held in October in New Delhi. He stated that the outcomes are expected in six months, after which the matter will be pursued with the Ministry of Energy and Ministry of Environment, Forest and Climate Change (MoEF&CC). Dr. M. P. Singh expressed his optimism and confidence that the project would be successfully implemented. He clarified that international carbon credit trading is currently restricted by the Government of India, and therefore FIPPI is focusing on national carbon trading, in line with the proposed regulatory framework, effective from 2026.



Shri J.K. Bihani, President, Haryana Plywood Manufacturers Association appreciated the strong progress made by FIPPI over the past year and commended the increased pace of activities, attributing it to the continued efforts of Dr. M. P. Singh and the inclusive approach adopted by the Federation.



Shri Naresh Tiwari, Chairman, All India Plywood Manufacturers Association (AIPMA), appreciated the efforts of FIPPI under the guidance of Dr. M. P. Singh and expressed confidence that the Federation is on the right path and would achieve success, particularly with regard to GST rationalization to 5% and the use of technical urea.

He further highlighted issues related to BIS licensing and emphasized the need to educate and support small manufacturers who face challenges in compliance with BIS licensing requirements, marking norms, and sample testing procedures.

Shri Tiwari assured the members of his continued support to FIPPI in strengthening and expanding its membership base.



Shri Navin Patel, Secretary, Gujarat Plywood & Veneers Manufacturers Association, appreciated the leadership of Shri Rajesh Mittal and Dr. M. P. Singh in actively engaging both large and small flush door manufacturers to address and resolve issues related to the flush door segment. He noted that educating smaller

manufacturers on BIS importance is crucial and emphasized a gradual, inclusive approach rather than immediate compulsory compliance.

Dr. M. P. Singh emphasized continued engagement with BIS and DPIIT to resolve the problem, noting that the project given to IWST is expected to provide results that will help address it. He also highlighted that discussions with DG, BIS aim to minimize disruption to small and micro industries during the transition period, with hand-holding support to ensure a smooth implementation of the QCOs.

Dr. Purushottam Sharma, on the behalf of Greenpanel Industries, shared insights and experience from the

Vietnam study tour, noting that manufacturers focus on strong process control—especially resin formulation and pressing parameters—rather than excessive veneer drying, even with high-moisture veneers. He highlighted that this results in energy savings, faster production, and lower costs while maintaining product performance, and suggested that adopting such practices could improve efficiency, sustainability, and global competitiveness of the Indian plywood and panel industry.



Dr. Purushottam Sharma highlighted concerns regarding the adoption of urea-free resin, noting that short-term trials cannot fully assess chemical bonding, aging resistance, emission protection, and long-term durability. He emphasized that urea-free systems remain prone to hydrolysis and microbial attack under moisture, heat, and aging conditions, making careful evaluation essential before large-scale adoption.

Dr. M. P. Singh responded that FIPPI has arranged trials in five volunteer industries under the supervision of IWST. The adoption will proceed only after successful testing over the next three to four months, ensuring all aspects are evaluated.



Shri Sonu Aggarwal, Secretary, Association of Indian Plywood & Laminate Industries (AIPLI), appreciated the work carried out by FIPPI under the guidance of Dr. M. P. Singh, noting that these efforts have significantly boosted confidence among small-scale industries. He highlighted the ongoing challenges related to the use of

technical grade urea, observing that Government confidence has been impacted due to farmer-related concerns and past compliance issues. As a result, several other industry matters, including agroforestry, GST rationalization, BIS licensing issues, and QCO-related issues, often face disruptions. He concurred with the views expressed by Shri N. K. Agarwal, stating that transitioning to technical grade urea is not an easy process. He further informed the members that urea-free technologies have now been developed and have been successfully adopted by certain industries in the northern and southern regions of the country. He emphasized that a shift towards either technical grade urea or urea-free resins would help resolve many of the industry's challenges, both with the Government and with the farming community. Shri Aggarwal also recalled that, through collective industry efforts, GST on the sector's products was reduced from 28%

to 18% in 2017, in which FIPPI played a significant role. He noted that since the Government has now removed the 12% GST slab, sustained efforts towards rationalization of GST to 5% could yield positive results.

Shri Sonu Aggarwal further informed the members that the number of BIS licences in the sector has increased from approximately 800 to nearly 1,200, indicating improved compliance across the industry. He noted that work related to Quality Control Orders (QCOs) is progressing in the right direction and clarified that the Government is not exerting undue pressure on micro enterprises in this regard. He also mentioned that a high-level committee has been constituted under NITI Aayog, which is actively examining matters related to QCO implementation and ease of doing business. He stated that the committee has already taken corrective actions, including the removal of QCOs on certain raw materials. Shri Aggarwal further cautioned that some furniture manufacturers are attempting to classify plywood as a raw material with the intent of seeking removal of QCO provisions. He clarified that plywood is a consumer product and, therefore, does not fall under the category of raw materials. Shri Sonu Agarwal further stated that the actual raw materials in the manufacturing process are core veneer and face veneer, thereby distinguishing them from plywood as a finished product.

Dr. M. P. Singh confirmed that FIPPI has issued communications to the concerned Joint Secretaries and has requested all regional associations to submit their representations highlighting the positive impact of QCO implementation on the industry. He reiterated that coordinated submissions and sustained follow-up are essential for effectively addressing the related concerns.



Dr. Prasanth M.A., Director, AK Apple Ply, highlighted that in the southern region, particularly in Kochi, there has been a significant inflow of imported WPC and PVC products and raised concerns regarding practices such as under-invoicing. He urged the members to take the matter seriously, noting that such

practices are adversely impacting the panel industry. He emphasized the need to examine the issue in detail, including a review of HSN codes, import patterns, and potential malpractices, in order to identify appropriate corrective measures.

Dr. M. P. Singh assured the members that the issue would be taken up by the Federation. He also requested additional support from the Kerala region to strengthen research capacity for ongoing initiatives. He noted that these efforts, together with GST rationalization, would help address issues such as under-invoicing and support the development of a

sustainable and appropriate categorization for plywood products.

Consideration and approval of the Financial Statements of FIPPI

Dr. M. P. Singh presented the Audited Financial Statements for the financial year ended March 2025. The key highlights of the financial performance were as follows:

A) During the financial year ending March 2025:

- a. The gross receipts from members contribution towards advertisements was 171.52 Lacs, Interest earned on fixed deposits was 1.21 Lacs and Membership Contribution received was 14.70 Lacs. The total income received was 187.43 Lacs.
- b. The total expenses incurred during the year were 42.55 L for salary payments, 9.05 L for advertisements, 5.39 Lacs for Legal & amp: Professional Charges, Rs. 3.47 Lacs for travelling expenses and 4.67 lacs for other miscellaneous expenses.
- c. There was excess of income over expenses to the extent of 122 L out of which 89.22 L was utilized for purchase of premises and its renovation.
- d. Others points of concern: The society's application for registration under section 12A for exemption of Income was rejected on the ground that the society is not carrying any charitable activity. The society will henceforth be filing its tax returns as a mutual benefit concern and will be claiming exemption from tax on that basis. However, the revenue model may be challenged by the tax department and may lead to lead to tax disputes.

After due deliberation, the Audited Financial Statements for FY 2024–2025 were unanimously approved by all members present.

B) Budget for Financial Year 2025-26

Dr. M. P. Singh presented the Budget for the financial year 2025-2026, which included the actual income and expenditure for the period April to November 2025 as detailed below:

- a. The gross receipts from members contribution towards advertisements was 32.86 Lacs and Membership Contribution received was 114.47 Lacs. The total income received was 147.33 Lacs.
- b. The total expenses incurred in the period of April to November were 58.51 Lacs for salary payments, 7.51 Lacs for Legal & amp: Professional Charges, Rs. 10.88 Lacs for travelling expenses, 6.33 Lacs for Printing Expenses, 4.67 lacs for other miscellaneous expenses and 25 Lacs are deposited in Fixed Deposit.

- c. 75 Lacs was utilized for renovation of office premises.

Dr. M.P. Singh further presented the projected figures for December 2025 to March 2026. The budget provided a detailed estimate of expected receipts and expenses for the remaining 4 months of the financial year that are as follows:

- The gross receipts from members contribution towards advertisements will be 13 Lacs.
- The total expenses to be incurred in the period of December to March will be 32 Lacs for salary payments, 25 Lacs for Legal and Professional Charges, 14 Lacs for printing charges, 3 Lacs for travelling expenses and 6 Lacs for other miscellaneous expenses.

While presenting the budget, Dr. M. P. Singh apprised the members of a likely deficit of ₹40–50 lakh during the year and sought the members' support through enhanced advertisement participation and induction of new members to bridge the anticipated shortfall.

The members reviewed and discussed the proposed budget, and after due consideration, it was taken on record.

C) Tentative Budget for Financial Year 2026-27

Dr. M. P. Singh presented the tentative budget for the forthcoming Financial Year 2026–27.

- The gross receipts from members contribution towards advertisements will be 32 Lacs, and Membership Contribution will be 149 Lacs.
- The total expenses to be incurred in the upcoming Financial Year will be 96 Lacs for salary payments, 30 Lacs Professional Charges, 10 Lacs for printing charges, 10 Lacs for travelling expenses and 10 Lacs for other miscellaneous expenses.
- Fixed Deposit for of 25 Lacs for future liability

The members deliberated on the proposal and, after due consideration, the same was taken on record.

After due deliberation, the Financial Statements for the Financial Years 2024–25 and 2025–26 (covering the period from April to November 2025, along with projected figures for December 2025 to March 2026), as well as the proposed Financial Statements for the Financial Year 2026–27, as placed before the members, were unanimously approved by the members present.

Approval of the amendment to the Membership Fee structure, revising the minimum annual subscription fee from Rs. 1,00,000/- to Rs. 50,000/-.

a) Membership

Dr. M.P. Singh briefed the members on the agenda and informed that the Management Committee of FIPPI has

proposed an amendment to the Membership Fee structure, revising the minimum annual subscription fee from Rs. 1,00,000/- to Rs. 50,000/- to facilitate new memberships and sought AGM ratification of this change along with earlier amendments, subject to circulation of the final draft.

The Committee took note of concerns regarding disproportionately low membership contributions by certain large companies despite significant investments. In response, Dr. M. P. Singh clarified that the current year's collections were based on turnover declarations made by the members and expressed confidence that contributions would improve in the next financial year. It was agreed that the issue would be addressed through internal discussions and direct engagement with the concerned members in a structured manner to improve compliance.

b) Advertisement

The advertisement tariff for the FIPPI magazine was placed before the members, outlining the rates for various positions, namely: Inside Front Cover – ₹2.00 lakh; Back Cover – ₹2.00 lakh; Inside Back Cover – ₹1.00 lakh; Inside Back Cover-1 – ₹1.00 lakh; and Interior Pages – ₹50,000 per page.

Special rates applicable to affiliated members were also discussed, wherein the tariff for a full interior-page advertisement in the FIPPI magazine was revised from ₹50,000 to ₹25,000.

Members were encouraged to extend their support to FIPPI's activities by placing advertisements in the magazine, especially as affiliated members do not pay membership fees.

IWST Project Presentation and Committee Deliberations.

Dr. M. P. Singh requested Dr. Shakti Singh Chauhan, Director, Institute of Wood Science and Technology (IWST), to present and share the outline of the project titled "Identification and Evaluation of High-Yielding Clones for Plywood and Panel Industries in India."



Dr. Shakti Singh Chauhan expressed his appreciation for the opportunity to collaborate with FIPPI and to support the ongoing research initiatives. He noted that this is a first-of-its-kind effort, wherein clonal materials and hybrids specifically suited for the plywood and panel industry are being identified and developed.

He further informed the members that ICFRE and FIPPI have already signed a Memorandum of Understanding (MoU), under which this work is being undertaken as part of the project.

Dr. Shakti shared a detailed presentation on the project which has been submitted for funding to FIPPI. He highlighted the objectives, scope, and anticipated outcomes of the three-year project, to be implemented by IWST, Bengaluru, in association with ICFRE-Institute of Forest Genetics and Tree Breeding (IFGTB), Coimbatore; ICFRE-Forest Research Institute (FRI), Dehradun; and ICFRE-Tropical Forest Research Institute (TFRI), Jabalpur, with a total proposed budget of ₹194.59 lakh.

The project aims to identify and evaluate high-yielding and site-specific clones of economically important tree species developed by ICFRE institutes for use in the plywood and panel industry. The study will involve wood quality assessment, propagation of superior planting material, and establishment of multi-location field trials across representative agro-climatic zones in India to assess growth performance, adaptability, and end-use suitability.

The expected outcomes include strengthened raw material security for the industry, improved productivity, reduced reliance on imports, and enhanced farmer participation through the promotion of clonal agroforestry. The project aligns with national initiatives such as the National Agroforestry Policy, Make in India, and Atma Nirbhar Bharat, supporting environmentally sustainable, climate-resilient, and self-reliant growth of India's wood-based sector.

Following the presentation, Shri Rajesh Mittal requested Dr. M. P. Singh to arrange an internal meeting of the Committee members with IWST for further deliberation on the matter, after which the outcome would be communicated to Dr. Shakti Singh Chauhan in due course.

Dr. M.P. Singh thanked Dr. Shakti Singh Chauhan for his excellent and brief presentation.

Briefing about Bharat Buildcon (Spearheaded by Ministry of Commerce & Industry) on the exhibition layout, stall options & key details.

Dr. M.P. Singh briefed the members that Bharat Buildcon 2026, an initiative directly supported by the Government of India, Ministry of Commerce & Industry, is scheduled to be held from 29th April to 2nd May 2026 at Yashobhoomi, New Delhi. He informed that FIPPI has been invited to attend the Steering Committee Meeting of Bharat Buildcon on Thursday, 19th December 2025.

Dr. Singh emphasized that, as leaders of the plywood and panel sector, members' participation is crucial in showcasing the industry's capabilities, achievements, and contribution to India's infrastructure development and exports. He highlighted that this presents an excellent opportunity to represent the sector on a Government-backed global platform.

Members were requested to actively consider booking

stalls and participating in Bharat Buildcon 2026. For further details regarding stall bookings, layout plans, sponsorship opportunities, and participation guidelines, members were advised to refer to the attached brochure.

Closing Remarks

Dr. M.P. Singh requested Shri Jaydeep Chitlangia, Senior Vice President, FIPPI to conclude the meeting and share his views.



Shri Chitlangia informed the members that all key points had already been addressed by Shri Sajjan Bhajanka, Shri N.K. Agarwal, Shri Rajesh Mittal, and Dr. M.P. Singh. He emphasized that the industry should openly support the Federation, recognizing that the Federation is actively working for the welfare of the

sector. Highlighting that the turnover of the plywood and panel industry is approximately ₹60,000 crores, he noted that membership remains limited and stressed that for the Federation to effectively represent the industry before the government, it must be strengthened. He urged members to collectively contribute towards building a stronger Federation over time. Shri Chitlangia thanked Shri Rajesh Mittal for his leadership and dynamism, Dr. M.P. Singh for his proactive initiatives and efficient management of the office, and the office staff for their excellent work. He also suggested that a note should be circulated to all members regarding the International Symposium planned for November 2026.

The members were urged to strengthen the federation through greater unity and financial participation to enhance its engagement with Government and stakeholders. Members were encouraged to support ongoing and forthcoming Federation initiatives, including international events and symposiums, and to maintain confidentiality of the presentation shared, with progress on action points to be reviewed in the next Executive Committee meeting. The meeting concluded with a vote of thanks.

Members Present

1. Shri Sajjan Bhajanka, Chief Patron, FIPPI
2. Shri M.S. Vagh, Patron, FIPPI
3. Shri N.K. Aggarwal, Patron, FIPPI
4. Shri Rajesh Mittal, President, FIPPI
5. Shri Jaydeep Chitlangia, Senior Vice President, FIPPI
6. Shri Jikesh Thakkar, Vice President, FIPPI
7. Shri Keshav Bhajanka, Vice President, FIPPI

8. Mr. Madhusudan Lohia, Merino Industries Ltd (Merino Group)
9. Dr. Purushottam Sharma, Greenpanel Industries Ltd.
10. Dr. Prasanth, AK Apple Ply Pvt. Ltd.
11. Shri Aditya Aggarwal, Northern Plywood Products
12. Shri Navin Patel, Gujarat Plywood & Veneers Manufacturers Association
13. Shri Prakash More, Mayur Panel Pvt. Ltd.
14. Shri J.K. Bihani, Haryana Plywood Manufacturers Association
15. Shri Jignesh Chawatia, Strandply LLP
16. Shri Rakesh Agarwal, Amulya Mica Industries Pvt. Ltd.
17. Shri Naresh Tiwari, All India Plywood Manufacturers Association (AIPMA)
18. Shri Myan Mohammad, Western India Plywood Ltd.
19. Shri Ashok Agarwal, Plywood Manufacturers Welfare Association (U.P)
20. Shri Sonu Aggarwal, Association of Indian Plywood & Laminate Industries
21. Ms. Tamanna Sharma, Rushil Décor Ltd.
22. Shri Venkatesh Pitta
23. Shri Vishal Acharya, Director, Bharat Buildcon
24. Shri Deepak Gupta, Amulya Mica
25. Shri Dhaval Kachhadiya
26. Shri Haresh
27. Shri Shakti Singh Chauhan, Director, Institute of Wood Science & Technology
28. Shri Jitendra Kathariya, Bharat Buildcon
29. Dr. M.P. Singh, Director General, FIPPI
30. Dr. C.N. Pandey, Senior Technical Advisor, FIPPI
31. Shri Ajay Kumar, Senior Economic Policy Advisor, FIPPI
32. Shri Jinendra Jain, Senior Sustainability Advisor, FIPPI
33. Shri Anthony Fernandes, Office Secretary, FIPPI
34. Dr. Richa Bansal, Assistant Director, FIPPI
35. Shri Rishabh Gandhi, Economic Officer, FIPPI
36. Ms. Kavita Goyal, Office Assistant, FIPPI. □



FEDERATION OF INDIAN PLYWOOD AND PANEL INDUSTRY

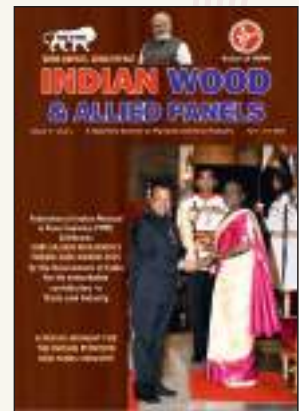
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Minutes of the Meeting of the Federation of Indian Plywood and Panel Industry, held on 15th October 2025 at the Ambassador, New Delhi - IHCL SeleQtions, New Delhi, for Planning the Roadmap for the Year 2025

Members' Present:

1. Shri Sajjan Bhajanka, Chief Patron, FIPPI
2. Shri M.S. Vagh, Patron, FIPPI
3. Shri N.K. Aggarwal, Patron, FIPPI
4. Shri Rajesh Mittal, President, FIPPI
5. Shri Jaydeep Chitlangia, Senior Vice President, FIPPI
6. Shri Jikesh Thakkar, Vice President, FIPPI
7. Shri Keshav Bhajanka, Vice President, FIPPI
8. Shri Madhusudhan Lohia, Merino Industries Ltd.
9. Shri Rajiv Daga, Archidply Industries Ltd.
10. Shri Vivek Jain, Action Tesa
11. Shri Ajay Garg, E3 Group
12. Shri S.R. Mundhra, ARCL Organics
13. Shri Surendra Arora, Virgo Group
14. Shri Sandeep Gupta, Northern Plywood Products
15. Shri Aditya Aggarwal, Northern Plywood Products
16. Shri Ujjwal Bansal, Birmi Wood Products (Treelab)
17. Shri J.K. Jain, Senior Sustainability Advisor, FIPPI
18. Km. Khushboo Modi, ICMA
19. Dr. M.P. Singh, Director General, FIPPI
20. Dr. C.N. Pandey, Senior Technical Advisor, FIPPI
21. Shri Ajay Kumar, Senior Economic Policy Advisor, FIPPI
22. Shri Anthony Fernandes, Office Secretary, FIPPI
23. Dr. Richa Bansal, Assistant Director, FIPPI
24. Shri Rishabh Gandhi, Economic Officer, FIPPI
25. Km. Kavita Goyal, Office Assistant, FIPPI

The Federation of Indian Plywood and Panel Industry (FIPPI) convened its Committee Meeting on 15th October 2025 in New Delhi. The primary objective of the meeting was to review the progress of initiatives undertaken from July to September 2025 and to strategize and further finalize the action plan for 2025. The meeting brought together key office bearers, representatives from member industries and regional associations and invited experts to deliberate on issues critical to the growth, compliance, innovation, and sustainability of the plywood and panel sector. The agenda included discussions on organizational aspects of FIPPI (membership engagement and budget), Quality Control Order (QCO) implementation, product standardization, export promotion, sustainability and policy advocacy, release of FIPPI quarterly magazine (Volume 19, Issue 3 - July-September 2025), action Taken/Underway Report on the FIPPI Roadmap, Anti-Dumping Notice on Melamine, Issue of Technical-Grade Urea, Approach to GST Rationalization, Campaign – QCOs, Sustainability & Standards, Approval of MOUs with FIPPI & IWST, PR & Social Media Campaigns and Approval of the Financial Statement for FY 2024-25 & Budget for FY 2025-26.

Opening Remarks by the Director General, FIPPI

Dr. M.P. Singh, Director General, FIPPI, welcomed all attendees, including representatives from FIPPI's primary and affiliated member organizations. He acknowledged the significance of convening the present meeting within three months of the previous committee meeting held on



10th July 2025 in New Delhi and emphasized the value of maintaining such regular engagement for the sustained progress of Indian plywood and panel sector. Dr. Singh further extended his appreciation and gratitude to the office bearers of FIPPI – Shri Rajesh Mittal (President), Shri Jaydeep Chitlangia (Senior Vice President), Shri Jikesh Thakkar (Vice President) and Shri Keshav Bhajanka (Vice President) – for their enduring leadership and complete support to FIPPI’s Secretariat, which has enabled FIPPI to undertake a range of initiatives aimed at advancing the interests of the plywood and panel sector. He thereafter invited Shri Rajesh Mittal to deliver his ‘Opening Remarks,’ to start the meeting formally.

1. Opening Remarks by Shri Rajesh Mittal, President, FIPPI

Shri Rajesh Mittal commenced the meeting by extending a warm welcome to all esteemed members present. He outlined the key agendas for discussion, including the anti-dumping duty on melamine, steps taken towards GST reduction, issue of technical-grade urea, and BIS specifications & QCOs implementation. Shri Mittal encouraged all members to participate constructively and contribute meaningfully to the sector’s issues. He concluded his address by inviting Dr. M.P. Singh to lead the discussion.

2. Release of the Quarterly Magazine – Indian Wood & Allied Panels (Volume 19, Issue 3, July – September 2025)



Dr. M.P. Singh invited the members to formally release the latest edition of FIPPI’s quarterly magazine, Indian Wood & Allied Panels (Volume 19, Issue 3, July – September 2025). He described the publication as the official quarterly journal of FIPPI, often referred to as the ‘Voice of FIPPI,’ as it covers key activities, initiatives, events and policy engagements undertaken by FIPPI during the reporting period. He encouraged all members to take time to review the magazine, noting that the issues highlighted therein would serve as the foundation for several of the deliberations scheduled in the current meeting.

Dr. Singh further outlined the key highlights of the July

to September 2025 edition, which include:

- i. Technical articles contributed by technical experts on quality & standards, sustainability and trade.
- ii. Detailed report on meeting with Hon’ble Minister Shri Piyush Goyal requesting for the reconstitution of the Development Council for Plywood and Other Panel Products under the Industries (Development & Regulation) Act, 1951.
- iii. Detailed report on the minutes of the last FIPPI Committee meeting held on 10th July 2025.
- iv. MoU signed with FFSC for skill development and MoU signed with IWST for collaborative research.
- v. Research article from ICFRE highlighting trends, challenges and opportunities for India’s wood products in global trade
- vi. FIPPI’s article on India’s plywood and panel imports in the post-QCO era.
- vii. FIPPI’s representation to Government on GST reduction for agroforestry-based wood products to support MSMEs and rural farmers.
- viii. FIPPI’s representation to Government for the introduction of reverse charge mechanism (RCM) on purchase of timber from agroforestry under GST.
- ix. FIPPI’s article on the journey of IS 710: Shaping the course of India’s marine plywood.
- x. FIPPI’s representation on BIS support to micro enterprises in QCO implementation.
- xi. FIPPI’s article on the revision of standards for IS 3087: Medium Density Particle board and IS 12406: Medium Density Fibreboard.
- xii. FIPPI’s request for incorporation of provision for additional door thickness in BIS standards and product manuals.
- xiii. Article on sustainability from Greenpanel industries “Sustainability through science-redefining India’s wood panel industry”.
- xiv. Article on sustainability from Greenlam industries “Greenlam carves the road to a green future-embarks on self-sustainability journey through ToF augmentation program- ‘Vriksha Vriddhi’
- xv. Article from ICFRE on the estimation of the wood consumption in Indian Plywood industries
- xvi. FIPPI’s submission on concerns regarding policy frameworks affecting agroforestry farmers and wood-based industries.
- xvii. FIPPI’s proposal for clone-specific R&D collaboration with ICFRE to develop species suited for plywood and panel industries.

xviii. FIPPI's participation in MATECIA Exhibition 2025.

xix. FIPPI's outreach meeting with door manufacturers from Gujarat to promote QCO compliance.

3. Action Taken Report on FIPPI Roadmap

Dr. M.P. Singh presented the 'Action Taken Report' to the forum, providing an overview of the key activities undertaken by FIPPI since the last committee meeting, along with the FIPPI's action plan for the near future. He informed the members that the report would be structured around five thematic goals forming the foundation of the FIPPI Roadmap, namely: i) membership engagement and communication (organizational aspects); ii) innovations, product standardization & implementation of QCOs; iii) sustainability initiatives; iv) policy advocacy & institutional change; v) taxation & trade and vi) FIPPI's financial review and budget planning. Dr. Singh noted that each of these focus areas would be addressed in detail during the meeting and that member inputs would be vital in shaping the way forward.

i) Membership Engagement and Communication (Organizational Aspects)

a. Membership Engagement

Dr. M.P. Singh apprised the forum of the membership drive undertaken by FIPPI in recent months. As part of this initiative, FIPPI actively participated in major industry exhibitions, including MATECIA held in New Delhi in August 2025. During the event, the FIPPI team engaged with more than 40 industries, of which 15 have successfully joined as primary members. He noted that this growth in membership is also a result of the revised and reduced membership fee.

Dr. Singh welcomed the new members and emphasized the importance of sustained outreach and engagement to further expand FIPPI's membership base and ensure broad, inclusive representation of industry stakeholders. At present, FIPPI has 42 primary members, 20 affiliated members, and 1 associate member. He reaffirmed that FIPPI will continue its strong efforts to widen its membership base in the future.

The members appreciated FIPPI's efforts toward strengthening its membership base and suggested that FIPPI consider placing regular advertisements in magazines such as Ply Reporter to encourage more industries to join the federation.

b. Communication Outreach

To strengthen its public outreach, Dr. Singh stated that FIPPI has been actively promoting its activities and objectives through social media channels such

as Facebook, LinkedIn and Instagram. Moreover, as a part of our communication outreach, FIPPI dispatched over 200 copies of the April to June 2025 edition of the Indian Wood & Allied Panels magazine across the industry and research institutions. He further shared that two major initiatives—the FIPPI Coffee Table Book and the new FIPPI website – are being developed. The Coffee Table Book will highlight FIPPI's journey, showcase industry profiles and include projections for the sector. FIPPI plans to continue showcasing its initiatives and engaging with stakeholders at leading industry exhibitions like India Wood and MATECIA. He further highlighted that the FIPPI Coffee Table Book and the revamped website will be launched during the next FIPPI meeting. FIPPI will also make concerted efforts to invite the Hon'ble Prime Minister and the Hon'ble Minister of Commerce & Industry for the launch event.

Shri Jaydeep Chitlangia deliberated about the initiatives taken by FIPPI to enhance the social media presence across platforms such as Facebook, Instagram and LinkedIn through digital channels – PR & social media campaigns. FIPPI plans to hire an agency for PR and social media campaigns and is strongly committed to promoting timber's sustainability credentials.

Dr. Singh emphasized the need for all members to highlight in their advertisements that wood-based panel products are among the most sustainable materials available. He noted that this narrative has not been adequately communicated so far. He urged members to include a simple message in their promotions, such as: "This is the most sustainable product — its alternatives have significantly higher carbon footprints and are less environmentally friendly". He added that relevant content has already been provided in the magazine and encouraged members to refer to it for consistency. He further underscored that, particularly in discussions around GST and product classification, it is crucial to communicate that wood-based panel products are inherently sustainable and should not be viewed on par with PVC or acrylic. These materials merit a distinct category due to their environmental benefits. Dr. Singh stressed the importance of developing a strong communication narrative—such as highlighting that using wood products supports farmers and promotes agroforestry rather than deforestation. Such messages, he noted, must be integrated into all advertising and outreach efforts.

Shri Chitlangia endorsed Dr. Singh's idea and further added that members should also add another line

in their advertising campaign – Proud Member of FIPPI – which will further strengthen the social media presence of FIPPI.

Dr. Singh then informed the forum that FIPPI currently has 42 members in total and that expanding this number is essential, especially when inviting dignitaries such as the Hon'ble Prime Minister. He proposed setting a target of at least 100 primary members to showcase the scale and seriousness of the industry.

Dr. Singh shared that membership income has increased after revising the minimum membership fee to ₹50,000 and assured that detailed figures will be presented in the next meeting. He concluded by noting that, as mandated by Mr. Keshav Bhajanka in the previous committee meeting, all activities are continuing at full strength without any scaling down.

ii) Innovations, Product Standardization and Implementation of the Quality Control Order (QCO)

a. Green Board issue

Shri N.K. Aggarwal informed the members that regulations in the MDF industry were introduced with the green board, which has achieved significant market acceptance over the past ten years. However, he highlighted a growing concern that the term “green board” is being widely misused as a marketing tool. Customers are often misled by boards simply dipped in green colour being sold under this label, creating misconceptions that “green” implies waterproofing or environmental safety. Such practices threaten the industry’s credibility and long-term growth. Despite substantial market growth in recent years, customer trust is being eroded. When a product fails within months, consumers tend to lose confidence not just in one brand, but in all Indian MDF products.

Shri Sajjan Bhajanka noted that organized industries do not misuse the green colour and instead manufacture premium-quality products, with dye added solely to differentiate products. He urged that industries should refrain from misusing the green colour and emphasized the importance of raising consumer awareness regarding this practice.

Members noted that during the previous meeting held at the MATECIA exhibition, it had been decided that FIPPI would take up the issue of the misuse of green colour in MDF boards with BIS. Dr. M.P. Singh clarified that FIPPI has already raised this matter with BIS and has also highlighted it in the FIPPI magazine, emphasizing the need for clear

colour-coding under the product manual of IS 12406 to prevent such misuse. He further informed the members that since this representation was submitted, no meeting of CED 20 has taken place. The issue will be formally placed in the forthcoming CED 20 meeting, where decisions will be taken based on inputs received from various members. Dr. Singh added that controlling the improper use of colour has become increasingly challenging, reinforcing the urgency of addressing this concern through standardization.

Shri Rajesh Mittal agreed with the views expressed and suggested that the matter be discussed with the Director, IWST, and the concerned BIS committee.

b. Support to Micro Enterprises regarding mandatory QCO Implementation

FIPPI, in collaboration with IWST, visited door manufacturing units in Gujarat to support QCO implementation and address technical challenges faced by MSMEs. The discussions focused on identifying practical limitations encountered by manufacturers and examining proposed amendments to existing standards, particularly for Wooden Flush Doors (IS 2202 and IS 2191). It was noted that these standards restrict manufacturers from using different combinations of plywood, particle board, and MDF as infill materials, despite these being commonly used in the industry. IS 2202 does not adequately address critical parameters such as the use of recycled wood, mixed-core materials, and commercial tolerances required for low-cost housing applications.

Participants highlighted that the standards are presently overseen by CED 11, a committee with limited representation from the wood-based panel industry, leading to specifications that are misaligned with ground realities. Door manufacturers recommended that the responsibility for these standards be transferred to CED 20, which has the necessary technical expertise in wood and panel products.

Mr. Aditya Aggarwal informed the members that he attended the recent Working Committee meeting of CED-11 and has already presented all our concerns. He emphasized that test reports from BIS approved laboratories are essential to demonstrate performance across the required thickness-to-size ratios. At present, the existing door standard restricts the manufacturing of larger doors at thinner thicknesses (e.g. 25 mm and 30 mm). To justify the inclusion of larger door sizes, laboratory test evidence is required and approximately four to five samples will need to be tested. He added that

he has already coordinated with a laboratory and that the next step is for manufacturers to volunteer and submit door samples in different sizes and thicknesses. Once the performance data is available, the proposed changes can be incorporated into the standard.

He further informed the members that Century Ply had suggested increasing the permissible door thickness from 30 mm limit to up to 50 mm, including intermediate options such as 32 mm. He clarified that any such revisions will depend entirely on demonstrating satisfactory performance through accredited laboratory testing. If manufacturers produce door samples in these thickness ranges and the samples meet the required performance criteria, the changes can be incorporated into the standard and reflected in the next wide-circulation draft.

Shri Aditya informed the members that the testing cost for each door sample would be approximately ₹10,000–12,000, and therefore, industry volunteers are needed to proceed. He proposed that samples can be provided by Century Ply, Greenply industries, and Duroply industries, and assured that he would coordinate with committee members. Shri Rajesh Mittal expressed his support for the initiative and confirmed that member industries would submit their samples. Dr. M.P. Singh requested Dr. C.N. Pandey to coordinate the sample collection and related communication with all FIPPI members.

Shri Aditya explained that the basic door sizes currently specified in the standard are unable to pass the required performance tests. Larger doors cannot be manufactured in 25 mm or 30 mm thickness under the existing framework. He noted that efforts are underway to revise the standard so that doors of any size may be permitted, subject to test performance. Dr. C.N. Pandey clarified that additional thickness options can be incorporated, provided the thickness-to-height proportion is appropriately considered. Shri Aditya added that the committee is attempting to ensure that at least 8 ft × 4 ft doors in 30 mm thickness are included. Shri Jaydeep Chitlangia suggested that this issue could be addressed by assigning a project to IWST. In response, Shri Aditya informed the members that IWST is unable to test doors larger than 7 ft × 3 ft and has recommended using any BIS-approved laboratory for larger dimensions. Dr. C.N. Pandey suggested that a laboratory in Kolkata has the capability to test doors up to 8 ft in length. Therefore, if members wish to test 8-ft door samples, they may send them to the Kolkata laboratory; alternatively, IWST can conduct tests for doors up to 7 ft.

c. FIPPI Signs MoU with IWST for assessing formaldehyde emissions using the desiccator method.

Dr. M.P. Singh informed the members that FIPPI has submitted a project to IWST for the development of testing methods for zero-emission plywood standards. The report is expected to be completed within two to three months. Once the methodology is finalized, it will be notified under CED-20, enabling manufacturers meeting zero-emission requirements to adopt the standard. He noted that earlier challenges arose due to the absence of a defined testing protocol for zero-emission panels; however, this gap is now being addressed through the ongoing project.

d. Revision of Existing Standards

For the revision of existing standards, FIPPI has proposed amendments to improve clarity and address key industry concerns. The proposal includes the revision of preservative retention norms and the incorporation of glue line treatment for protection of plywood against biological agencies under IS 710 (Marine Grade Plywood) and IS 4990 (Shuttering Grade Plywood).

e. Project given to IWST to evaluate the efficacy of glue line and fixed preservative chemical dual category treatment for plywood against microbial attack under marine conditions

Dr. M.P. Singh informed the members that a project has been assigned to IWST to evaluate the efficacy of glue line treatment and fixed preservative chemicals (dual-category treatment) for protecting plywood against microbial attack under marine conditions. He also noted the industry funding support for the project, with contributions as follows: Century Ply – ₹6 lakh, Greenply – ₹6 lakh, Greenpanel – ₹3 lakh, Duroply – ₹3 lakh, and AK Apple Ply – ₹3 lakh.

f. Proposal for project on “Extension and adoption of biobased adhesives” to IWST

Dr. M.P. Singh informed the members that the project on soy-based adhesives can be assigned to IWST, as significant preliminary work has already been completed there. The technology transfer cost, earlier ₹5 lakhs, has now been reduced to ₹3 lakhs. He noted that if five industries participate under FIPPI's banner, the total project cost would be ₹15 lakhs. He requested five willing industries to support this demonstration-level initiative.

Dr. Singh then invited Shri Moiz Vagh to share insights on bio-based adhesives. Shri Moiz Vagh highlighted that the soy-based resin eliminates

both formaldehyde and urea, making it a project of national significance. He noted that this formulation also helps reduce overall production costs. He encouraged wider industry participation, stating that broader involvement would accelerate the adoption of this new formulation. He also mentioned that several factories in South India have already begun using similar bio-based formulations.

Shri Moiz requested Dr. C.N. Pandey to elaborate on the technical aspects. Dr. Pandey informed the members that while the technology has been successfully developed at the laboratory level, it now requires demonstration at the factory scale with participation from 5–6 industries, after which it can be adopted widely.

Shri Moiz Vagh further noted that similar soy-based resins are already being used in Europe and the United States. Dr. M.P. Singh added that eco-label guidelines currently propose to include up to 20% bio-based resin substitution.

Shri S.R. Mundhra emphasized that the industry should collectively work toward gradually replacing synthetic resins with plant-based alternatives such as lignin- or soy-based formulations.

Shri Jaydeep Chitlangia agreed that progress should be incremental and shared insights from the paper industry, noting that faster movement away from petrochemical-based products toward natural alternatives like lignin and soy would be beneficial for the sector.

Shri Keshav Bhajanka also expressed his willingness to participate in the trials. The members who confirmed participation in the project include Century Ply, Duro Ply, Greenply, Merino Laminates and Hunsur Ply.

iii) *Sustainability Initiatives*

Dr. M.P. Singh informed the members that write-ups on plantation activities have so far been received from Century Plyboards India Ltd., Greenply Industries Limited, Merino Industries Ltd., Action Tesa Buildwell, and Rushil Decor Limited. He additionally informed the forum that plantation data has recently been received from two more industries—Greenpanel and Greenlam Industries—and has been published in the latest issue of the FIPPI magazine. He requested the remaining members to submit similar write-ups on their plantation initiatives for publication in FIPPI's quarterly magazine, highlighting the industry's collective contribution to enhancing green cover. The members endorsed the proposal and agreed to provide regular data on their respective plantation

activities. Dr. Singh noted that maintaining such records would greatly strengthen FIPPI's ability to communicate the sector's environmental impact and sustainability initiatives during engagements with government stakeholders.

Dr. M.P. Singh further informed the members that FIPPI has commissioned a project with the Indian Council of Forestry Research and Education (ICFRE) for developing a methodology for agroforestry-based carbon credit projects under the offset mechanism of the Carbon Credit Trading Scheme for the Indian Carbon Market. He acknowledged the funding support from Century Ply, Action Tesa Buildwell, Greenply Industries, Greenpanel Industries, Greenlam Industries, and Merino Laminates.

Dr. M.P. Singh informed the members that ICFRE and FIPPI are organizing a Workshop on National Workshop on "Methodologies for Agroforestry-based Carbon Offset Projects in India: Assessing Applicability and Way Forward" to be held on 29 October 2025 at ICFRE-Van Vigyan Bhawan, New Delhi. Dr. Singh welcomed the members to participate in the workshop.

Dr. Singh also informed the members that the government had written noting concerns raised by the paper industry, which has alleged that the wood-based panel sector consumes raw material intended for them.

Dr. Singh shared that the proposal to develop our own sustainability principle — for example, determining how much wood or how many trees and how much timber is required to produce one sheet. Using a four-year rotation model, if one lakh trees are harvested, the industry should promote the plantation of approximately four lakh trees annually so that one lakh trees are available for harvest each year after the rotation cycle. He emphasized that such a principle must be scientifically developed to serve as the industry's sustainability benchmark. Once this framework is established, FIPPI can formally present it to the government as evidence of the sector's commitment to responsible resource management.

Shri J.K. Jain noted that a form requesting data on production and plantations had been circulated; however, no responses have been received to date. He emphasized that without this data, progress cannot be made. Each company should provide its own production data and corresponding plantation figures. For MDF, the number of plants may vary by area rather than by the number of trees, as densities differ across regions. Companies should indicate their annual wood requirement and how much

plantation they undertook last year. This will help identify any deficit between usage and plantation.

Dr. M.P. Singh requested Shri Keshav Bhajanka to provide insights into the industry's sustainability initiatives and to outline the sustainability criteria relevant to our sector. This will help ensure that, upon adopting these principles, the industry can credibly claim sustainability in its raw material sourcing. We need a defined principle that FIPPI adopts, followed by all members.

Shri Keshav Bhajanka agreed with the suggestion and emphasized that this concept should be explored further. He noted the need to develop the idea carefully to ensure it appears genuine and well-founded. It is important to clearly demonstrate that the industry is actively planting trees and distributing saplings at subsidized rates, and that increased consumption of our products directly encourages agroforestry. Higher demand for wood-based products provides farmers with an incentive to cultivate trees, whereas low demand diminishes this motivation. This approach can help counter the narrative put forth by the paper industry. Shri Keshav Bhajanka suggested building a strong communication narrative, potentially with the support of a professional agency, to effectively promote this initiative.

Dr. M.P. Singh agreed to the above proposal, emphasizing that first we should counter the narrative advanced by the paper industry. Secondly, we should move towards self-certification by establishing an internal Responsible Sourcing and Timber (RST) principle. Under this framework, each company would report its support and extension activities for farmers and tree growers, including the number of saplings distributed and plantation drives supported.

Shri J.K. Jain suggested that organized players, though fewer in number, can set an example by voluntarily sharing their data. Even if 5–10 large companies demonstrate their sustainability practices, it would significantly strengthen the industry's position and motivate other industries to share their plantation data. Shri Keshav Bhajanka added that among organized players, data on the number of saplings distributed and production figures is already available and can be shared if required.

Dr. Singh emphasized that the committee should agree on adopting a sustainability principle, and once consensus is reached, FIPPI can develop a framework for approval.

Mr. Keshav Bhajanka noted that the purpose of

this principle should be clearly defined. Once the objective is clear, the framework can be designed accordingly.

Shri Jikesh Thakkar shared examples where industries had naturally promoted plantations around their manufacturing units, citing cases in Karnataka and Chikmagalur, where farmers began planting trees once industries were established.

Shri Ajay Kumar mentioned that under the EUDR (European Union Deforestation Regulations), exporters of wood-based products must prove that their raw material does not come from forest degradation and must provide evidence of afforestation activities. Therefore, maintaining accurate plantation records from individual industries will help both in compliance and credibility.

The discussion concluded with suggestions from Shri Jaydeep Chitlangia, as follows:

- A quarterly compliance reporting system will be developed.
- A standard reporting format will be circulated to all industries through official communication.
- Each industry will report the number of saplings distributed or the area planted.
- FIPPI will compile this data as part of its sustainability documentation.

It was agreed that this initiative will facilitate self-certification, provide credible data for advocacy, and strengthen the sustainability narrative for the wood-based panel industry. Dr. Singh concluded that, with the approval of all members, a draft of the sustainability principle will now be developed and circulated to all members for adoption. All members expressed their consent.

Mr. Jikesh Thakkar informed the members that a similar exercise had been undertaken two to three years ago during a joint meeting with paper and MDF industries, where capacity-based formulas had already been drafted. The earlier data and correspondence will be shared again for reference.

iv) Policy Advocacy and Institutional Change

a. Constitution of the Development Council for Plywood and other Panel Products Industry under the Industries (Development & Regulation) Act, 1951

FIPPI has already submitted its representation to the Hon'ble Minister Shri Piyush Goyal requesting for the reconstitution of the Development Council for Plywood and Other Panel Products under the

Industries (Development & Regulation) Act, 1951.

v) Taxation and Trade

a. Issue of Anti-Dumping Notice on Melamine

Shri N.K. Aggarwal opened the discussion on melamine by informing the forum that the Directorate General of Trade Remedies (DGTR) has already initiated an anti-dumping investigation into melamine imports from China, based on an application from Gujarat State Fertilizers and Chemicals Limited (GSFC). He emphasized that if the industry does not act promptly to demonstrate that there is no material injury to GSFC, an anti-dumping duty could be imposed on melamine.

Dr. M.P. Singh then requested Shri Bhajanka to brief the forum on the melamine issue, noting that Century Plyboards (India) Limited had previously challenged the imposition of anti-dumping duty on melamine following an application by GSFC.

Shri Sajjan Bhajanka responded, stressing the need for collective action to prevent the imposition of anti-dumping duty. He suggested that GSFC should be asked to disclose its manufacturing costs of melamine, which are not reflected in its financial reports. He further noted that, given the price at which GSFC obtains natural gas, the company is making significant profits from melamine, indicating there is no material injury in this case.

Shri Bhajanka explained that GSFC is the only producer of melamine in India. In FY 2024-25, GSFC's production was only 42 thousand metric tons, while India imported 120 thousand metric tons during the same period. He highlighted that, due to limited domestic capacity, imports are inevitable.

Dr. Singh added that in earlier cases, GSFC used urea as the base for pricing and did not disclose the base price of melamine. He described it as a typical monopoly situation, with GSFC controlling domestic melamine pricing. Dr. Singh further noted that the new notice closely resembles the 2021 case, where DGTR recommended imposing anti-dumping duty on melamine from China, but the Ministry of Finance rejected the recommendation. He suggested coordinating with importers and potentially exporters to file multiple replies simultaneously. Shri Rajesh Mittal agreed with Dr. Singh's proposal of filing multiple replies through Century Plyboards (India) Limited, the Indian Laminate Manufacturer's Association (ILMA), and FIPPI.

Shri Jaydeep Chitlangia added that action should be initiated as soon as possible and supported

including exporters in the effort, as they would face significant losses if the anti-dumping duty were imposed.

The forum authorized Shri Jikesh Thakkar to take all necessary decisions regarding this matter going forward.

b. Issue of Technical-Grade Urea

Shri Sajjan Bhajanka opened the discussion on technical-grade urea by highlighting the significant price disparity between agricultural urea and technical-grade urea. With technical-grade urea priced nearly 10 times higher than agricultural urea, he noted that this creates a strong financial incentive for the diversion of subsidized agricultural urea to industrial applications. He added that such diversion cannot be effectively prevented without adequate active policy intervention from the government even though the plywood and panel sector remain committed to cooperating with the Government to ensure proper regulation, traceability, and responsible use of technical-grade urea in accordance with BIS and the Fertilizer (Control) Order. Shri Bhajanka further added that the plywood industry's consumption of urea accounts for less than 2% of India's total urea consumption, so there can be supply of technical-grade urea at the notified price equivalent to the production cost in India by Government agencies at different locations across the country.

Dr. M.P. Singh, informed the forum that FIPPI has already written to the Government regarding:

- **A government-directed pricing mechanism: India should target reducing the price of technical-grade urea to approximately Rs. 25 per kg, supported by a government-directed pricing mechanism like China.** This measure will create a level playing field for Indian manufacturers in the global market.
- **Reduction of the Basic Customs Duty (BCD):** The BCD on technical urea (HSN Code 31021090) should be reduced from 10% to 0% until domestic supply is established.

Shri N.K. Aggarwal continued the discussion by observing that farmers' requirement for urea is considerably lower than the quantity of urea available to them, which indirectly encourages overuse of urea in agricultural activities and diversion. He further questioned how the government could provide urea to industries at lower prices when it is already importing urea for farmers at higher costs.

Shri J.K. Bihani then contributed by citing the

example of a recent order enforced in Haryana, which ensures that agricultural urea is made available only to farmers and is not diverted for industrial use.

The forum then requested Shri S.R. Mundhra to share his insights on the matter. Shri Mundhra explained the issue comprehensively, stating that public sector manufacturers such as GNFC and GSFC determine the prices of technical-grade urea based on international landed costs, adding margins and freight charges regardless of their lower domestic production costs. As a result, the current delivered price of technical-grade urea stands at approximately ₹56 per kg (₹52/kg base price plus GST and freight), nearly ten times the price of agricultural urea. In comparison, countries such as China provide industrial urea to resin manufacturers at a government-directed price of about USD 240 per ton—roughly ₹25–26/kg including delivery—which allows their industries to operate competitively while maintaining a clear price distinction from subsidized agricultural urea.

Shri Mundhra further supported FIPPI's recommendations that to address this disparity, the government should introduce a pricing mechanism similar to China's model, targeting a price of around ₹25/kg for technical-grade urea. He emphasized that, since only 1% of India's total urea consumption is used for industrial purposes, the government could price industrial urea based solely on variable costs. He added that overhead and fixed costs, could be absorbed by the subsidized agricultural segment, which accounts for more than 99% of total urea consumption.

Shri Vivek Jain then suggested that during FIPPI's scheduled meeting the following day with the Secretary (Fertilizers), the delegation should emphasize that the plywood industry is agri-based, relying heavily on agroforestry for its raw material requirements. He added that the lack of government support for industrial-grade urea would ultimately result in direct losses to farmers.

Shri N.K. Aggarwal further proposed that Shri Mundhra should accompany the FIPPI delegation in the meeting with the Secretary (Fertilizers), given his expertise in the chemicals and resins sector, which would help in presenting the industry's case more effectively.

c. Persistent Monitoring of Imports Post-QCO

Continuing under the Taxation and Trade theme, Dr. M.P. Singh informed the forum that, following the implementation of the Quality Control Orders (QCOs), FIPPI has been persistently monitoring the

import data of plywood and panel products. He presented a detailed analysis depicting monthly trends in the import of plywood, medium-density fibreboard (MDF) and particle board, highlighting that these trends indicate a substantial reduction in import volumes post-QCO implementation. He further apprised the members that FIPPI has been consistently writing to the concerned government authorities regarding the continued inflow of non-BIS-compliant imports, particularly from Vietnam and China, and urging for enhanced enforcement measures.

Shri N.K. Aggarwal agreed with Dr. Singh's observations and emphasized that the decline in imports following QCO implementation presents an opportunity for domestic manufacturers to scale up production and meet the growing market demand.

d. Advocating for GST Rationalization on All Products under Chapter 44 & Wooden Furniture

Dr. M.P. Singh informed the forum that, even prior to the announcement of the GST reforms by the Hon'ble Prime Minister on 15th August 2025, FIPPI had been actively advocating for the reduction of GST on agroforestry-sourced wood and plywood & panel products manufactured from farm-grown timber. He explained that FIPPI has submitted formal representations to the Hon'ble Union Ministers, Secretaries of key Ministries, and the GST Council, emphasizing that such a tax rationalization would enhance farmers' incomes, strengthen the rural economy, and contribute significantly to India's climate mitigation goals.

He further apprised the members that, at FIPPI's request, 13 affiliated regional associations have also submitted formal letters to the Hon'ble Union Finance Minister, the GST Council, and to their respective Chief Ministers and State Finance Ministers, strongly advocating for the proposed GST reduction. Dr. Singh added that while certain products under Chapter 44 of the HSN Code have been addressed in the recently rolled-out GST reforms, there remains a pressing need to extend this rationalization to all products under Chapter 44, as well as wooden furniture (HSN Code 9403). He informed the forum that FIPPI has accordingly submitted a detailed representation to the Ministry of Environment, Forest and Climate Change (MoEFCC), seeking inclusion of these products under the 5% GST slab on account of their sustainability credentials.

Dr. Singh then urged the members to actively promote the narrative that wood-based products

are the most sustainable among all major building materials, such as aluminium, steel, iron, and acrylic. He encouraged members to incorporate the message of sustainability in their advertising strategies, thereby strengthening the case for GST rationalization to the 5% slab.

Shri Jaydeep Chitlangia then informed the forum that even in GST 2.0, there are still several fitment issues. He proposed that FIPPI should submit representations to the GST Fitment Committee, which is primarily responsible for examining and suggesting changes in GST rates and exemptions, by providing technical inputs to the GST Council.

e. Advocating for Introduction of Reverse Charge Mechanism on Agroforestry Wood Purchases

Shri N.K. Aggarwal informed the forum that for timber such as poplar and eucalyptus, which the industry purchases from agroforestry, not only should the wood be taxed at the 5% GST rate, but the compliance responsibility should rest with the buyer rather than the seller. He further explained that in most such transactions, the sellers—often unregistered farmers, small traders, or part-time contractors—operate outside the formal tax system. This situation prevents registered buyers, including industry players, from availing Input Tax Credit (ITC).

In response, Shri Chitlangia informed the forum that FIPPI has already submitted a formal representation advocating for the introduction of the RCM on purchases of wood from agroforestry under the GST regime.

f. Submission of Key Recommendations for the Union Budget 2026-27 on Basic Customs Duty

Dr. M.P. Singh informed the forum that FIPPI has recently submitted and presented its comprehensive budget proposal in person to the Office of the Economic Adviser, Department for Promotion of Industry and Internal Trade. FIPPI's key recommendations for the Union Budget 2026-27 with regard to the Basic Customs Duty (BCD) are as follows:

- i. Raw materials – FIPPI has proposed a 0% BCD on all raw materials, including logs, sawn wood, veneers, melamine, phenol, and technical-grade urea, due to the limited promotion of agroforestry in the country and the constrained domestic production of key adhesive-based chemicals.
- ii. Wood panels – FIPPI has proposed an increase in BCD from the current 10% to 25% on wood panels to promote domestic manufacturing

by providing a price advantage to domestic manufacturers.

- iii. Wooden furniture – FIPPI has recommended raising the BCD from the current 20% to 35% on wooden furniture to discourage low-cost imports and support the growth of domestic manufacturing.
- vi) FIPPI's Financial Review and Budget Planning

Dr. M. P. Singh presented the Audited Financial Statements for the financial year ended March 2025. The key highlights of the financial performance were as follows:

During the financial year ending March 2025:

- A. The gross receipts from members contribution towards advertisements was 171.52 Lacs, Interest earned on Fixed deposits was 1.21 Lacs and Membership Contribution received was 14.70 Lacs. The total income received was 187.43 Lacs.
- B. The total expenses incurred during the year were 42.55 L for salary payments, 9.05 L for advertisements, 5.39 Lacs for Legal & Professional Charges, Rs. 3.47 Lacs for travelling expenses and 4.67 lacs for other miscellaneous expenses.
- C. There was excess of income over expenses to the extent of 122 L out of which 89.22 L was utilized for purchase of premises and its renovation.
- D. Others points of concern: The society's application for registration under section 12A for exemption of Income was rejected on the ground that the society is not carrying any charitable activity. The society will henceforth be filing its tax returns as a mutual benefit concern and will be claiming exemption from tax on that basis. However, the revenue model may be challenged by the tax department and may lead to lead to tax disputes.

After due deliberation, the Audited Financial Statements for FY 2024–2025 were unanimously approved by all members present. Subsequently, the Financial Statements were duly signed by Mr. Rajesh Mittal, President, FIPPI.

Thereafter, Dr. M. P. Singh presented the Budget for the financial year 2025-2026, which included the actual income and expenditure for the period April to September 2025 and the projected figures for October 2025 to March 2026. The budget provided a detailed estimate of expected receipts and expenses for the remaining half of the financial year. The members reviewed and discussed the proposed budget, and after due consideration, it was taken on record.

Closing Remarks

The meeting concluded with a vote of thanks to the Chair and hon'ble members, acknowledging their valuable contributions and active participation. □

Indian Plywood & Panel Industry – Evolution, Expansion & Outlook

Tracing the Roots – A Century of Plywood in India

What began as a packaging solution for tea became the foundation of India's plywood industry.

TEA CHESTS: THE GENESIS OF INDIAN PLYWOOD

The origins of the Indian plywood industry are inseparably linked with the development of the tea industry in colonial Assam. The discovery that tea plants grew wild in the upper Brahmaputra Valley was made in 1823 by Robert Bruce, a British political agent who visited Garhgaon (a place near present Sivsagar district), for trading purposes. The earliest cultivation of tea in Assam in the Brahmaputra valley started almost in 1837 and soon many tea gardens were established under the British impetus. As production increased, Assam tea was started to export to European countries.

In the early years, tea was packed in heavy sawn-wood boxes known as tea shooks. While locally available, these shooks were bulky, inconvenient to handle, and prone to damage during long sea voyages. Their weight and limited durability prompted tea manufacturers and agency houses in Calcutta to seek a lighter, stronger, and more reliable alternative. This practical necessity paved the way for the introduction of plywood tea chests in Assam.

Initially, tea shooks were produced by hand sawyers, but as demand grew, several sawmills were established, giving rise to a flourishing ancillary industry. Even as late as 1912, nearly 73 per cent of the tea chests required by Assam's tea gardens were still met by locally made sawn-wood boxes, with the remainder being imported plywood chests. The outbreak of the First World War, however, disrupted supplies from Europe and sharply increased the price of imported three-ply shooks. Local sawmills were fully occupied in meeting the immediate needs of the tea industry, but it

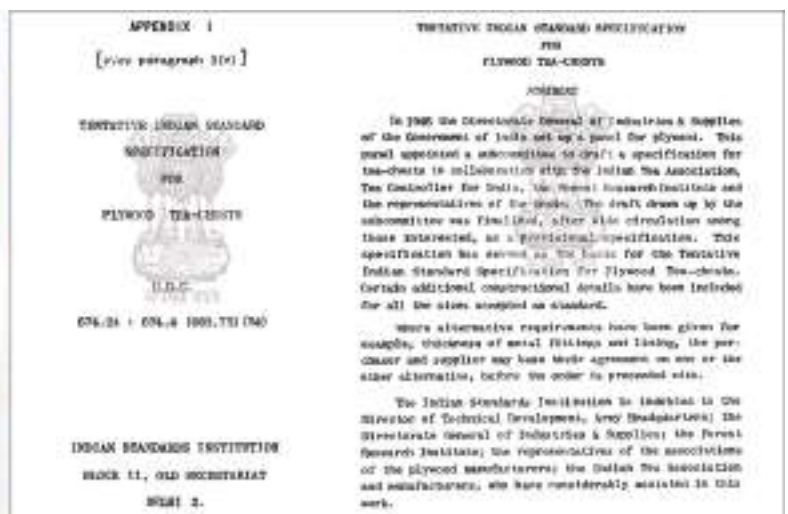
soon became clear that sawn wood alone could not sustain the expanding export trade.

Given the national importance of maintaining tea exports, the Government of India encouraged indigenous plywood manufacturing. Early attempts by companies in Assam and eastern India laid the groundwork for domestic production, though success was limited by technological constraints and wartime shortages.

A more organised phase began in the 1920s with the establishment of plywood manufacturing facilities. However, indigenous producers soon faced intense competition from established foreign manufacturers, compelling them to seek tariff protection. In response, the first tariff enquiry into the plywood industry was conducted in 1927. After detailed investigation, the Tariff Board concluded that protection was warranted for tea chest plywood, though not for commercial plywood at that stage.

Standardisation further strengthened the industry's foundations. In 1946, the Directorate General of Industries & Supplies constituted a panel for plywood that included representatives from the Indian Tea Association, the Tea Controller for India, the Forest Research Institute, and representatives of the trade. A subcommittee drafted specifications for plywood tea chests, which, after wide consultation, were finalised as a provisional standard. This later formed the basis of the Tentative Indian Standard Specification for Plywood Tea Chests, providing a uniform benchmark for quality and performance.

Despite these developments, plywood manufacture for tea chests in its early phase remained largely confined to



Tentative Indian Standard Specification for Plywood Tea-Chests (1946).

cottage and small-scale enterprises. Limited technical know-how, inefficient utilisation of raw materials, and inadequate machinery constrained production, making it insufficient to meet the vast requirements of India's tea gardens. As a result, the country continued to rely on imported plywood tea chests for several years.

The urgency of building indigenous manufacturing capacity became particularly evident following government-imposed import restrictions. This led to the gradual emergence of small-scale plywood units in and around Calcutta, operating with approvals from the Directorate General of Technical Development (D.G.T.D.). These early initiatives, though modest in scale, marked the first decisive steps toward a self-reliant plywood industry in India.

A CENTURY IN THE MAKING – THE JOURNEY OF INDIAN PLYWOOD

What began as a functional response to the tea industry's packaging challenges gradually evolved into one of India's earliest organised wood-based industries.

The plywood industry is among the oldest wood-based industries in India, with its formal origins dating back to 1916. This industry was started in the country hundred years ago on a very modest scale. It was in the year 1906-07 that plywood was imported in India for the first time—valued at Rs.32 lacs. Imports rose steadily and by 1924-25 it was worth Rs.90 lacs. Tea Industry in Assam, West Bengal and Kerala was steadily developing, and it was thought that plywood industry in the form of Tea Chests production mainly for export should be developed. While tea from India had been exported since the mid-nineteenth century, the emergence of plywood as a material solution dates to the early twentieth century, with 1916–17 marking the first serious efforts toward indigenous manufacture.

In the early years, tea meant for export was packed in boxes made of sawn wood, typically about 1.3 cm thick. These wooden chests were heavy, prone to damage, and often compromised tea quality due to tainting and moisture ingress during long-distance transport. Persistent complaints from overseas buyers prompted the Indian Tea Association to constitute a sub-committee to examine alternatives for tea packaging. The committee concluded

that tea chests made from plywood would offer superior strength, lower weight, improved moisture resistance, and greater durability, while also being more economical in the long run. This led to the import of plywood tea chests from Europe—primarily England and Finland—and by 1912, nearly 27 per cent of tea chests used in India were made of imported plywood.

The outbreak of the First World War disrupted European supplies, sharply increased prices, and created severe shortages of imported plywood. Given the national importance of tea exports as a critical source of foreign exchange, the Government of India encouraged indigenous plywood manufacturing. In 1917, M/s Surma Valley Sawmills undertook the manufacture of plywood at the government's behest. This initiative was followed in 1918 by the establishment of M/s Assam Sawmills & Timber Company, which was granted a 30-year lease for extraction of timber from the North-East Frontier Tracts, linked to the installation of a veneer factory within two years. Around the same time, M/s Buxa Timber & Trading Company received a similar lease in the Jalpaiguri district of Bengal. Despite their promise, these early ventures struggled to succeed—partly due to difficulties in procuring suitable bonding materials during wartime, but largely because plywood manufacturing technology was still at a nascent stage in India. As a result, development stalled for several years, and both imported plywood and sawn-wood tea chests continued to coexist in the market.

Recognising the growing and sustained demand for tea chest plywood, two plywood factories were established in Assam in 1923–24. M/s Assam Railway & Trading Company at Margherita was granted extensive forest leases in the Lakhimpur district of Assam, the company ordered modern plant and machinery in 1922 and commenced operations in 1924. This marked a significant step toward organised plywood manufacturing in the country. Despite this advancement, indigenous manufacturers faced stiff competition from foreign suppliers and resistance from sections of the tea industry, which questioned the suitability of Indian timber for tea chests. Seeking relief, the industry approached the Government of India for tariff protection in 1926. In response, the first tariff enquiry into the plywood



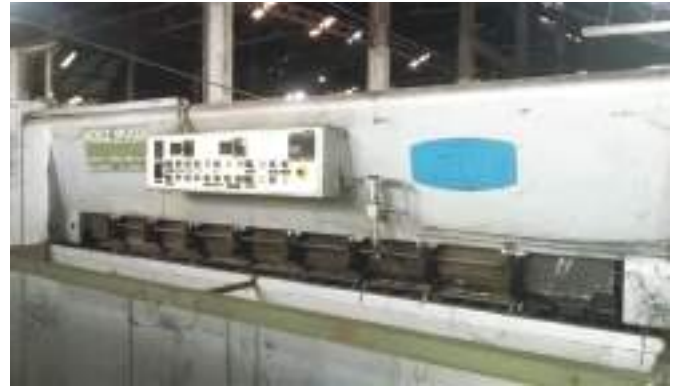
The Centenary year celebration of the AR and T Company at Margherita in Assam.



Plywood Machinery at the AR and T, Assam.



Cremona Peeling Equipment by CREMO Italy at the AR and T, Assam.



Splicing Machinery of the Ruckle Company at the AR and T, Assam.

industry was conducted in 1927. After detailed investigation, the Tariff Board concluded that protection was warranted for tea chest plywood, though not for commercial plywood at that stage.

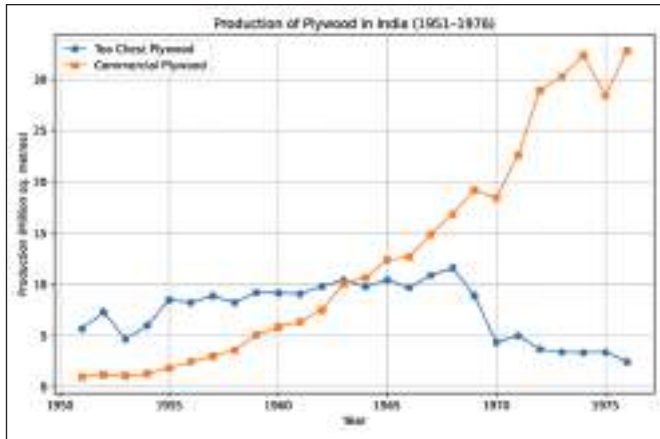
The Second World War further strengthened the case for self-reliance. Plywood Industry in India is considered as a gift of the Second World War. Now that tea chests must be produced, Forest Departments in different States started thinking in terms of finding suitable timber for manufacturing tea chests. Experiments were made at Forest Research Institute, Dehra Dun and it was found that plywood made from Indian timbers were as good as imported products and therefore advised forest entrepreneurs to set up modern factories in different States. Accordingly, well equipped factories were started in different places viz. Sitapur, Bangalore, Baliapatam, Dandeli and Coochbehar. Some of these factories suffered setbacks in the post war years, as after cessation of war the vested interests tried to sabotage this industry by trying to restart imports of tea chests. Tariff Board enquiry was held, and the Government imposed a lien on the importers to purchase Indian products equivalent to the quantity allowed to be imported. Slowly and slowly, the Government imposed total ban on imports, and this thoughtful action of the Government encouraged the Indian entrepreneurs to modernise their plants and invest substantial capital in this industry. With imports severely constrained, the Government of India imposed a permanent 30 per cent duty on all types of plywood in 1948, which was later raised to 35 per cent in 1957. While giving protection to the domestic plywood industry, Government also asked the plywood manufacturers to improve quality. Early reliance on casein and natural protein-based adhesives gradually gave way to synthetic adhesives, significantly enhancing bonding performance and durability. As manufacturing technology improved and complaints regarding indigenous tea chests diminished, imports were progressively curtailed. Import quantities were formally fixed in 1952 based on domestic capacity and demand, and by 1966, imports of tea chest plywood had ceased entirely.

Having achieved consistent quality and self-sufficiency in tea chest plywood, the industry embarked on manufacture of commercial plywood in 1951. Later, it was realized that

the potentialities of the industry can be judged from the many uses to which plywood can be put. Since then, the manufacturers have diversified their product portfolio and expanded into block boards, flush doors, decorative veneers, and specialised products such as marine and aircraft plywood. This marked the transition of plywood from a packaging material for tea chests to a versatile building and industrial material. A major milestone was reached in 1964, when the production of commercial plywood exceeded that of tea chest plywood for the first time. By this stage, Assam alone accounted for nearly 50 per cent of India's plywood production.

The industry also came under a formal regulatory framework through the Industries (Development and Regulation) Act, 1951, which introduced industrial licensing. Projects required approval from the Ministry of Industry in consultation with various ministries, including the Ministry of Environment and Forests, to ensure sustainable availability of timber. The 1988 Indian National Forest Policy brought about a paradigm shift, making a 'transmogrification' from forest-based to wood-based industries that was confounded by a plethora of challenges. While this shift promoted conservation, it also introduced challenges related to raw material availability, rising dependence on agroforestry and imports, and escalating raw material cost in the global markets.

Parallel to industrial growth, institutional research and technical capacity were strengthened. By 1960, the industry had established its first dedicated research facility, a precursor to Indian Plywood Industries Research Association (IPIRA) [later Indian Plywood Industries Research Institute (IPIRI) and Indian Plywood Industries Research & Training Institute (IPIRTI)], with a pilot plant commissioned in 1965 on land granted by the Karnataka government and it later came under CSIR. Scientists refined adhesives, evaluated Indian timber species, trained factory workers, and laid a foundation of quality-led growth. By 1985, UNDP funded a major training centre, and in 1991, the institute came under the Ministry of Environment and Forests (MoEF). In 2022, IPIRTI merged with the Institute of Wood Science and Technology under ICFRE, reinforcing integrated research support for the wood-based sector.



THE SUPREME COURT ORDER 1996: A DEFINING JUDICIAL TURNING POINT FOR THE PLYWOOD INDUSTRY

The Indian plywood industry faced one of its most severe disruptions in the mid-1990s following two landmark judgments of the Hon'ble Supreme Court of India in 1996 and 1998. These decisions, while historic from the standpoint of forest conservation, had far-reaching and unintended consequences for wood-based industries across the country—particularly in the North-Eastern region, which had long been the backbone of India's plywood production.

On December 12, 1996, in the landmark T.N. Godavarman vs. Union of India case, the Supreme Court ordered a complete suspension of tree felling in all “forest” areas across the country. Crucially, the Court interpreted the term forest in its dictionary sense, extending its scope beyond officially notified government forests to include any land recorded as forest in revenue records, regardless of ownership or tree cover. Until then, restrictions had largely applied only to government-declared forest lands.

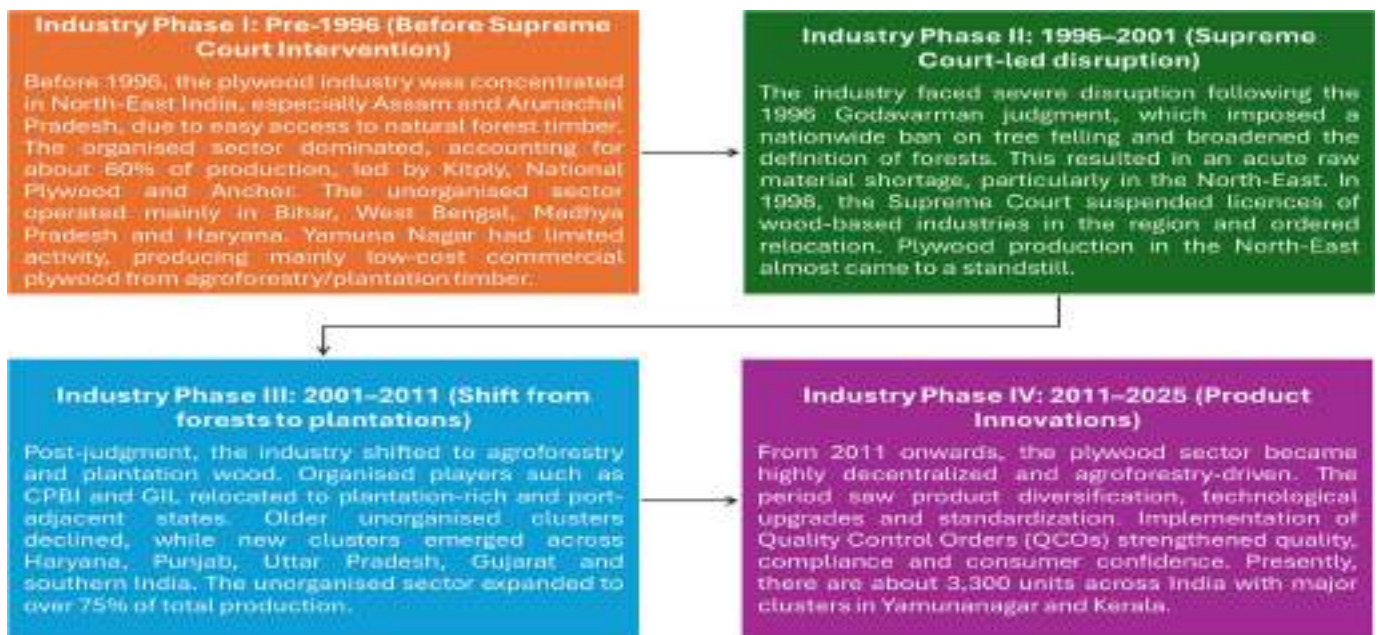
This ruling virtually paralysed wood-based industries—including sawmills, veneer units, and plywood factories—particularly in the North-Eastern states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, and

Tripura. These regions, historically rich in forest resources and home to a large concentration of plywood units, suddenly faced an acute shortage of raw material. Operations slowed dramatically, and many units were forced to shut down.

Less than two years later, on January 15, 1998, the Supreme Court issued another consequential order, suspending all existing licences of wood-based industries in the seven North-Eastern states. The Court further directed that such industries could operate only after relocating to state-designated industrial zones, where they could be subjected to closer monitoring and regulation. This order dealt a severe blow to industry players who had been hoping that the ban on tree felling would eventually be relaxed. By suspending all earlier licences, the judgment effectively dismantled the industrial ecosystem that had evolved in the region over several decades.

These developments must also be viewed in the context of the National Forest Policy (NFP) of 1988, which marked a decisive shift in India's forest governance. The policy prioritised conservation, ecological stability, and biodiversity over commercial exploitation, encouraged afforestation and the promotion of Trees Outside Forests (ToFs), and ended the subsidised supply of raw materials to wood-based industries. Together with the Godavarman judgment, the policy accelerated the transition from a forest-based to a wood-based industrial model.

While the Supreme Court's intervention played a transformative role in strengthening forest conservation in India, it also led to a sharp contraction of the traditional timber supply chain. The resulting supply-demand gap has since been bridged through a combination of plantation timber, Trees Outside Forests, and imports. This period, though challenging, ultimately compelled the plywood industry to restructure, innovate, and align itself with sustainable raw material practices—reshaping its trajectory for the decades that followed.



RISE OF PLANTATION TIMBER AND NATIONWIDE EXPANSION (POST-1996)

In the aftermath of the Supreme Court’s 1996 and 1998 rulings, the geographic centre of India’s plywood industry underwent a decisive shift. With forestry operations severely restricted in the North-East, manufacturers were compelled to relocate to regions offering reliable access to plantation-grown timber. This transition marked a turning point in the industry’s spatial and structural evolution.

Yamunanagar in Haryana emerged as the earliest and most prominent hub of this transformation, eventually earning recognition as the “plywood capital” of India. From there, plywood manufacturing expanded steadily across northern, western, and southern India, driven by the increasing availability of agroforestry timber, improved transportation networks, and proximity to emerging markets. What began as a forced relocation gradually evolved into a nationwide industrial footprint.

Despite the initial shock of raw material disruption, the industry demonstrated remarkable resilience. Over time, it not only recovered but expanded significantly. Today, the Indian plywood industry produces more plywood annually than it did during its first six decades of existence combined—an outcome that underscores its capacity to adapt to regulatory and resource constraints.

This growth, however, was accompanied by a fundamental shift in raw material sourcing. Historically, Gurjan—a medium hardwood obtained from natural forests—had been the preferred species for plywood manufacturing due to its strength and workability. Following the ban on forest felling, reliance on forest-sourced timber declined sharply, accelerating the industry’s transition toward plantation-based inputs. In northern India, poplar and eucalyptus became the dominant raw materials, while rubberwood and silver oak gained prominence in southern regions. Today, plantation-grown timber supplies the bulk of core veneers and fillers used in plywood manufacturing.

This post-1996 phase thus represents not merely a period of survival, but one of reinvention—where the plywood industry transitioned from forest dependence to plantation-led growth, enabling nationwide expansion while aligning itself with evolving environmental and policy imperatives.

PIONEERS OF INNOVATION IN THE INDIAN PLYWOOD INDUSTRY

The story of the Indian plywood industry is inseparable from the vision and leadership of a few extraordinary individuals whose contributions laid its scientific, institutional, and industrial foundations.

Foremost among them is Dr. D. Narayana Murti, widely regarded as the Father of Composite Wood Research in India and the founding Director of the Indian Plywood Industries Research & Training Institute (IPIRTI). His pioneering work in composite wood science, adhesives, and process

optimisation transformed plywood manufacturing from a largely empirical craft into a knowledge-driven industry. Dr. Murti’s contributions provided the scientific backbone that enabled Indian plywood to meet international standards, and he may rightly be remembered as one of the founding architects of the plywood industry in India.

Equally significant was the role played by Mr. A. K. Kaderkutty, whose influence extended across industry, research, and institutional development. As the founder President of the Federation of Indian Plywood & Panel Industry (FIPPI) as well as of IPIRTI, Mr. Kaderkutty provided the organisational leadership that helped unify the industry and strengthen its technical capabilities. In 1945, he founded The Western India Plywoods Ltd. at Baliapatam, Kerala—a bold initiative that went on to redefine the geographic and technological landscape of the Indian plywood sector. Under his leadership, Western India Plywoods grew into one of the country’s most successful wood-based panel enterprises. Mr. Kaderkutty’s foresight, scientific temperament, and commitment to technological advancement enabled the creation of a thriving plywood and panel manufacturing hub in a then-remote region of Kerala. He was among the earliest industry leaders to adopt modern machinery and advanced processing techniques, earning him recognition as the doyen of the Indian wood-working industry.

During one of the most turbulent periods in the industry’s history—following the Supreme Court’s 1996 ban on non-forest activities on forest land—Mr. M. M. Jalan provided critical leadership. Serving multiple terms at the helm of the industry, he guided plywood manufacturers through a phase marked by widespread closures in the North-Eastern region and acute raw material uncertainty. His stewardship during this challenging transition helped stabilise the industry and navigate the shift toward plantation-based manufacturing.

Together, these pioneers shaped the Indian plywood industry into a resilient, technology-driven, and nationally integrated sector. Their legacy continues to influence the industry’s commitment to innovation, sustainability, and institutional strength.



Dr. D. Narayana Murti A.K. Kaderkutty MM Jalan

HISTORY OF PARTICLE BOARD IN INDIA

The origins of the particleboard industry in India can be traced to growing concerns over the country’s long-term timber availability. In 1958–59, the Government of India, with the assistance of the Food and Agriculture Organization of the United Nations (FAO), constituted an enquiry committee

to assess the demand–supply position of wood and project future requirements. The committee’s findings were unequivocal: India was heading rapidly towards a timber shortage, with serious implications for housing, furniture, and construction.

Realising the essential need of timber for housing furniture and other constructional uses, the Govt. of India allowed import of wood (on Open General Licence) and on substantial reduction in import duties. However, it was not feasible to depend on continued imports for a long time because of our foreign exchange crunch and the likely change in the policy of those countries who permitted export of wood in raw form. It was, therefore, vitally important in national interest to find, quickly, satisfactory and economic substitute for wood. Against this backdrop, particleboard emerged as a promising substitute—one that had already proven its effectiveness in developed countries as a replacement for natural wood.

Particleboard was viewed as a material of strategic importance, capable of addressing multiple national objectives: meeting the shortage of construction timber, conserving natural forests, and reducing dependence on imported wood. Consequently, the Government extended policy support to the sector, granting more than seven industrial licences with a combined installed capacity exceeding 3 lakh tonnes per annum. The manufacture of particleboard in India began in the late 1950s and early 1960s, marking one of the country’s earliest ventures into engineered wood products.

The first particleboard manufacturing unit was established at Sitapur, Uttar Pradesh, by M/s Sitapur Plywood Manufacturers, with a capacity of 13 tonnes per day. During the early 1960s, seven additional plants were commissioned, bringing total installed capacity to approximately 44,900 tonnes per annum.

At this stage, however, the industry was operating under significant constraints. Production capacities were small, technology was still nascent, and the sector relied largely on sawmill residues, wood waste, and low-grade timber as raw material. During this period, the Indian wood products industry was largely dependent on natural forest timber, and plywood dominated the organised panel sector. As a result, particleboard was perceived as a supplementary or experimental product, with limited applications and modest market acceptance.

By 1965, particleboard production in India reached 8,089 tonnes, valued at approximately ₹7 million. Despite its considerable potential, the industry struggled to gain momentum. While particleboard expanded rapidly in developed economies, its growth in India remained stunted due to a combination of structural and market-related challenges. Three main reasons for low-capacity installation and utilization were:

- Particleboard was a new product and non-conventional for use as substitute for wood.

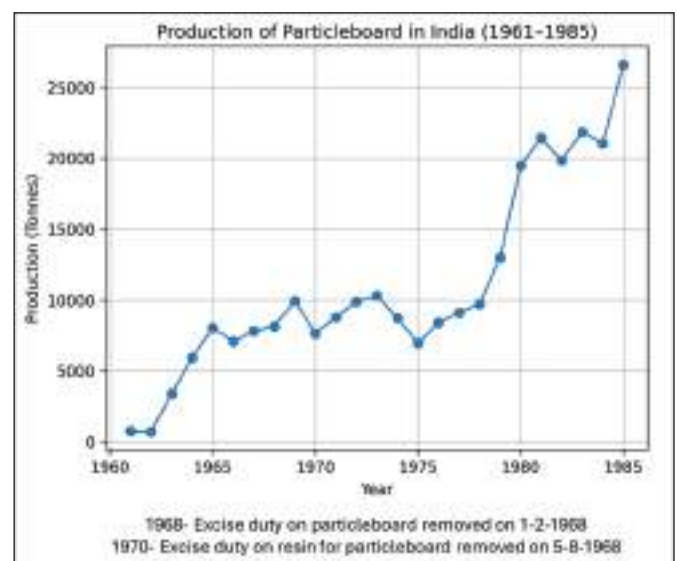
The manufacturers could not muster adequate marketing efforts for propagating its use. Moreover, prejudice of the Indian carpenters to use any new product was a big hinderance.

- The second major reason was the high cost of production, consequent to high cost of resin adhesives used, high excise duty on particleboard and high excise duty on resin adhesives used for the manufacture of particleboard.
- The third reason was lack of knowledge and technology in India for manufacture of quality board and non-availability of proper fittings for use of the board.

The cumulative effect was stagnation. Instead of expanding, several plants curtailed operations or shut down altogether. Later, the Government removed excise duty on particleboard in 1968 and on resin adhesives in 1970. However, by the time these corrective measures were introduced, the industry had already suffered substantial financial damage. Four units closed permanently, while others operated under severe strain, deterring new investment.

A modest revival began in 1980 with the commissioning of the ninth particleboard plant in the country, with an installed capacity of 19200 tons per annum and bringing the installed capacity to 64100 tons per annum. This recovery, however, was short-lived. The Union Budget of 1987–88 dealt another setback by withdrawing excise exemptions and imposing a 10 per cent duty on particleboard, once again dampening industry growth.

Despite these challenges, the underlying demand for wood substitutes continued to rise. Through the 1980s and 1990s, manufacturers invested gradually in technological upgrades to improve quality and efficiency. Research expanded to include alternative raw materials, such as agricultural residues including groundnut shells and coconut husk for their suitability for making particle boards reflecting early efforts toward resource efficiency



and sustainability.

The turning point came in the 2000s, driven by rapid urbanisation, the growth of modular furniture, and changing consumer preferences. New manufacturing capacities were added, production technologies improved, and environmentally responsible practices gained prominence. Over the past five to six years, particleboard has witnessed strong market acceptance, finding widespread application in flooring, wall and ceiling panels, office partitions, bulletin boards, furniture, cabinets, countertops, and desktops.

HISTORY OF MDF IN INDIA

Medium Density Fibreboard (MDF) is a relatively recent entrant in India’s wood-based panel sector when compared to plywood. While fibreboard technology had been present in the country since the late 1950s through hardboard manufacturing, commercial MDF production began much later. The history of MDF in India dates back to the late 1980s, marking a significant step in the evolution of engineered wood products.

The first MDF manufacturing plant in India was established in 1987 by Mangalam Timber Products, which introduced the technology under a collaboration with G. Siempelkamp, Germany. Marketed under the brand name Duratuff MDF, the product was manufactured using plantation timber/waste wood/agro-residues. Five years later, in 1992, Nuchem became the second player to foray into MDF manufacturing.



Despite this early start, MDF remained a niche product for nearly two decades. Between 1987 and 2006, Mangalam Timber and Nuchem were the only domestic manufacturers, resulting in limited market penetration and low consumer awareness. Indian consumers, traditionally accustomed to plywood and solid wood, were slow to adopt MDF, which was perceived as unfamiliar and non-essential. From 1993 to 2006—a span of nearly fourteen years—no new MDF plants were commissioned, reflecting both subdued demand and the high capital intensity required for setting up MDF manufacturing facilities.

The industry witnessed a decisive shift after 2006, when several new players entered the segment, significantly improving product awareness and acceptance. Shirdi Industries was among the first of the five new players,

followed by a wave of capacity additions that reshaped the market landscape. However, it was the entry of Bajaj Hindustan Ltd. and Greenply Industries that truly altered the trajectory of the MDF industry in India. In 2008, Bajaj Hindustan commissioned two MDF plants at Lakhimpur Kheri and Gonda in Uttar Pradesh, each with a manufacturing capacity of 80,000 cubic metres MDF per annum. The project was perceived to have competitive advantages due to access to captive raw material—bagasse—and in-house power generation. However, over time, the market recognised quality limitations in bagasse-based MDF. The high silica content in bagasse made the boards harder and less suitable for smooth carving and cutting—one of MDF’s key advantages. Declining demand ultimately led Bajaj Hindustan to shut down its Gonda and Lakhimpur Kheri units in FY 2012 and FY 2013, respectively.

Around the same period, Greenply Industries adopted an ambitious strategy by creating capacity equivalent to nearly 50 per cent of the existing market: 180,000 CBM. In 2008, India’s MDF market stood at approximately 360,000 cubic metres, with imports accounting for more than half of total consumption. In FY 2010, Greenply commissioned a state-of-the-art MDF plant equipped with continuous press technology, a significant advancement over the multi-opening cycle press systems used by other domestic manufacturers. This technology offered superior thickness uniformity, higher production efficiency, lower operating costs, and greater flexibility in board size and thickness—establishing a new benchmark for domestic MDF manufacturing.

The expansion continued with Action Group, which launched thin MDF under the Action Tesa brand in 2009, at a time when most manufacturers were focused on thicker boards. Action subsequently entered the thick MDF segment in 2013. In 2010, Greenpanel Industries set up an MDF plant when India’s total installed capacity was still limited to about 0.15 million cubic metres. Rushil Décor followed in December 2012 with the launch of MDF boards under the Vir brand, primarily focusing on thick MDF applications.

Since the 2010s, MDF has recorded rapid growth in India, supported by the expansion of organised furniture retail, real estate development, and the increasing substitution of solid wood and plywood in non-structural applications. The industry has benefited from plantation-based raw material sourcing, technological advancements, and a growing regulatory focus on product quality and standardisation.

CONCLUSION:

PRESENT OUTLOOK AND THE INDUSTRY’S TRANSITION

Today, the Indian plywood and panel industry stands at a decisive inflection point—having transitioned from a forest-dependent, fragmented sector to a technologically capable, agroforestry-driven, and market-responsive industry. Policy interventions such as the 1996 Supreme Court’s order, coupled with the rapid expansion of agroforestry and Trees Outside Forests (ToF), fundamentally reshaped the raw

material sourcing of the industry. Simultaneously, indigenous technological innovation—particularly in veneer peeling, core composition, and panel manufacturing—has enabled Indian manufacturers to match and, in several cases, surpass global benchmarks. The convergence of policy reform, farm-based timber supply, and manufacturing innovation has broadened participation across regions and stakeholders, making it resilient, scalable, and socially inclusive.

The industry is now evolving from a plywood-centric structure into a diversified panel ecosystem. While plywood continues to remain the backbone—anchoring nearly three-fourths of total panel consumption due to its structural reliability and market trust—engineered panels such as MDF and particle board are rapidly expanding their domains. MDF is redefining modern interiors through design flexibility and surface innovation, while particle board is powering affordability, modular furniture, and circular material usage. This evolution represents a natural progression rather than displacement—where plywood retains its primacy in structural and long-life applications, while MDF and particle

board address the growing demand for design flexibility, cost efficiency, and resource optimisation. Together, these products are collectively strengthening India's furniture and interior manufacturing landscape.

Looking ahead, the sector is well positioned to support India's housing and infrastructure ambitions. Government initiatives such as Pradhan Mantri Awas Yojana and Smart Cities are expected to sustain demand for wood-based panels, particularly from the residential segment. The implementation of Quality Control Orders (QCOs) marks a structural shift toward standardisation, consumer confidence, and global competitiveness. With nearly 90–95% of raw material sourced from agroforestry, the sector also represents a rare model of industrial growth that simultaneously strengthens rural livelihoods, enhances forest cover, and supports climate resilience. As India's panel industry moves forward, its future lies in integrated growth—where plywood, MDF, and particle board collectively reinforce a sustainable, technology-driven, and globally relevant wood-based manufacturing ecosystem. □



FEDERATION OF INDIAN PLYWOOD & PANEL INDUSTRY (FIPPI)

FIPPI LEADERSHIP



Mr. Sajjan Bhajanka
Chief Patron, FIPPI



Mr. N.K. Aggarwal
Patron, FIPPI



Mr. S.P. Mittal
Patron, FIPPI



Mr. M.S. Vagh
Patron, FIPPI



Mr. Rajesh Mittal
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Mr. Jaydeep Chitlangia
Senior Vice President, FIPPI



Mr. Jikesh Thakkar
Vice President, FIPPI



Mr. Keshav Bhajanka
Vice President, FIPPI



Dr. M.P. Singh
Director General, FIPPI



Dr. C.N. Pandey
Senior Technical Advisor, FIPPI



Quality Control Orders A Game-Changer for India's Wood Panel Industry

Empowering Quality, Safety, and Global Competitiveness



S.P. Mittal

*Founder & Executive Chairman
Greenpanel Industries Ltd.*

The implementation of Quality Control Orders (QCOs) for MDF, plywood, blockboards, particle boards, and other wood-based panels marks a transformative milestone in India's manufacturing landscape. Introduced under the guidance of the Bureau of Indian Standards (BIS) and the Ministry of Commerce and Industry, Government of India, this landmark initiative goes far beyond regulatory compliance. It represents a decisive shift toward quality assurance, consumer safety, and long-term sustainability across the entire value chain.

For years, the Indian wood panel industry faced dual challenges—uneven quality benchmarks and unregulated imports—which led to market distortion and inconsistent consumer confidence. The effective implementation of QCOs has fundamentally altered this scenario. Today, every product entering the Indian market—whether domestically manufactured or imported—must comply with uniform, verifiable standards of performance, safety, and durability.

This shift has positioned India not only as a major

manufacturing base but also as a credible global supplier of certified, high-quality wood panel products, aligning seamlessly with the national visions of Make in India and Atmanirbhar Bharat.

Decoding QCOs

At its core, a Quality Control Order (QCO) is a statutory notification issued by the Government of India that mandates BIS certification for specified products. It ensures that every product manufactured, imported, distributed, or sold in India conforms to the relevant Indian Standards (IS).

For the wood panel sector, QCOs mean that only BIS-certified MDF, plywood, particle boards, and blockboards can be legally marketed or imported. This framework not only safeguards consumers' rights to quality and safety but also protects genuine manufacturers from unfair competition posed by substandard and low-cost imports.

Through a structured system of certification, surveillance, and audits, QCOs ensure traceability, quality consistency, and adherence to responsible manufacturing practices. The successful rollout of QCOs in the wood-based panel industry demonstrates India's capability to execute complex regulatory reforms through industry-government collaboration, offering a model that other sectors can emulate.

A Leap Toward Global Standards and Consumer Trust

The introduction of QCOs has transformed the Indian wood panel industry into a more structured, transparent, and reliable ecosystem. Manufacturers who have invested in advanced technology, robust process controls, and sustainable practices are now seeing their efforts rewarded through enhanced consumer trust and international acceptance.

For consumers, QCOs provide assurance that every MDF board, plywood sheet, and engineered wood product meets defined benchmarks for strength, durability, emission control, and safety. This bridges the gap between manufactured quality and perceived quality, elevating confidence across the value chain.

From an industry perspective, QCOs significantly strengthen the Make in India initiative. By ensuring quality parity with global standards, Indian manufacturers are now better positioned to access international markets. Simultaneously, QCOs act as an effective barrier against low-quality imports, encouraging competition based on innovation, performance, and value, rather than compromised pricing.

Addressing Industry Challenges Through Collective Action

The transition to a QCO-regulated environment was not without challenges. The industry had to navigate constraints related to testing infrastructure, certification timelines, and compliance readiness, particularly among small and medium enterprises.

However, these challenges evolved into opportunities for collaboration. BIS, along with industry bodies such as the Federation of Indian Plywood & Panel Industries (FIPPI), played a pivotal role in supporting the sector through awareness programs, technical workshops, and continuous handholding.

This collaborative approach ensured that no genuine manufacturer was left behind. Today, the successful implementation of QCOs across wood panel categories reflects the industry’s resilience, adaptability, and collective commitment to a national mission—delivering superior quality products to Indian consumers while showcasing India’s manufacturing excellence globally.

The Way Forward: Quality as a National Identity

As India advances toward becoming a global manufacturing hub, QCOs will remain a cornerstone of trust and credibility across industries. For the wood panel sector, this marks the beginning of a new era—one where quality is not optional, but fundamental. Manufacturers are increasingly focusing on innovation, sustainability, and export diversification, confident that every BIS mark on their product symbolizes reliability, compliance, and pride. The future belongs to organizations that align with this vision—those who recognize that quality is not merely a standard to achieve, but a value to uphold.

With sustained support from BIS, FIPPI, and the Government of India, and with an industry-wide commitment to excellence, India’s wood panel industry is poised to set new global benchmarks. The implementation of QCOs is not just a regulatory milestone—it is a movement that unites government, industry, and consumers under one shared goal:

To make India the quality capital of the world. □



FEDERATION OF INDIAN PLYWOOD AND PANEL INDUSTRY

VOICE OF FIPPI

INDIAN WOOD & ALLIED PANELS

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FEDERATION OF INDIAN PLYWOOD & PANEL INDUSTRY

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Redefining Innovation in India's Plywood and Panel Industry : Merino's Marine Board



Ajay Kumar

*Advisor (Economics, Strategy and Sustainability)
Merino Group of Industries*

Marine Board has quickly emerged as one of the most transformative products in India's wood panel and plywood ecosystem. Beyond being just "another moisture-resistant board," it represents a fundamental shift in what interior-grade substrates can achieve under Indian conditions including high humidity, heavy usage, rising expectations around sustainability, safe indoor air quality, and long-term reliability.

Engineered Intelligence: A Shift from Convention to Performance

For decades, India's furniture and interior-fitout ecosystem has relied overwhelmingly on plywood and high-density panels especially for kitchens, bathrooms, and moisture-prone zones. However, emerging trends in alignment with global practices into Indian markets have challenged this status quo. Firstly, Performance gaps in wet areas- Standard green HMR and lower-grade boards often swell, delaminate, or lose screw-holding capacity in real-world kitchen and bathroom environments. Secondly, there is growing awareness of health risks such as cancer because of the formaldehyde emission.

This shift in market understanding has created space for a new, engineered solution. Marine Board has been developed precisely to meet these challenges. With extreme moisture resistance, exceptional dimensional stability, and repeat screw-holding strength, it delivers plywood-like performance while remaining cost-efficient and environmentally progressive. In fact , Merino Marine Board

is an ultra-high moisture-resistant engineered wood panel made from 100% natural wood chips bonded with advanced resins. It is designed as a reliable alternative to plywood, MDF, and high density panels in demanding interiors like modular kitchens, wardrobes, bathrooms, and utility areas.

The Most Innovative Product in the Plywood & Panel Segment

When evaluating innovation in India's plywood and panel industry, Merino Marine Board excels across key criteria:

- 1. Performance Leap:** Its boiling-water resistance, extremely low swelling, and long-term dimensional stability sets it apart from other wood panel products like plywood, MDF, and HMR variants in comparable price ranges.
- 2. Technology-Driven Manufacturing:** Chip Weave Technology, 3D bonding, CPS+, and German precision systems provide a level of sophistication rarely seen in India's panel category.
- 3. Value Proposition in terms of Economics, Health and Sustainability:** With E1 emission ratings, agroforestry-based wood sourcing, termite resistance, and long life expectancy, the board delivers both environmental and user health benefits, while remaining scalable for mass consumption.
- 4. Addressing Category Needs:** Merino's Marine Board demonstrates that high-performance cabinetry does not always require heavy plywood. In doing so, it bridges long-standing gaps in design choices, cost optimization, and material performance. These attributes collectively position Merino Marine Board as one of the most innovative products in India's contemporary plywood and panel landscape, an innovation grounded in performance, sustainability, and measurable value.

Most Innovative product under Sustainability, Agroforestry, Health, and Circular Thinking



Photo Courtesy : Germane Hot PressLine to Produce Marine Board in Merino.

True innovation today must integrate environmental and social responsibility especially for products manufactured in India for both domestic and global markets. Merino's marine board has embedded principle of global compliances, competitiveness and competency.

100% Agroforestry Wood - Merino Marine Board is made from responsibly sourced wood chips grown through managed agroforestry, reducing dependence on natural forests while supporting India's climate and rural income goals. More than 10 million high-yield and fast growing species of saplings every year are distributed amongst farmers in Gujarat.



Photo Courtesy : Eucalyptus clone 413 distributed by Merino for farmland in Malav, Gujarat.

Low Formaldehyde Emissions (E0.5/E1) - Lower VOC emissions significantly reduce exposure risks for carpenters, fabricators, and end-users, improving indoor health outcomes. and preventing diseases such as cancer Dust and Colourant Safety- The product minimizes dust generation and avoids hazardous pigments commonly used in lower-grade boards, contributing to a cleaner and safer work environment.

100% Thermal Energy from Wood Wastes/Residue Sources – Since the raw materials used in manufacturing, as well as the process-generated wastes, contain substantial wood components, Merino utilizes them entirely through an in-house Waste-to-Energy system.



Photo Courtesy : Waste-to-Energy (WtE) System , Merino factory Halol, Gujarat.

This system enables the production process to meet 100% of its thermal energy requirements using wood-based

residues and panel-processing wastes, fully aligned with circular economy principles. India's panel manufacturing ecosystem is increasingly recognizing Merino as a leader in eco-friendly, resource-efficient materials, appreciating its clear focus on circularity and sustainability.

Arrival and Market Acceptance

Since its entry into the Indian and global market together in August 2025, Merino Marine Board has been rolled out through a structured and high-visibility strategy:

Launch at major industry events- Including Maticia 2025 at Yashobhoomi, Dwarka, where it was showcased as "India's most advanced board," meeting European health and marine-grade performance benchmarks.

Digital outreach and professional education-Blogs, videos, and webinars have helped architects, designers, OEMs, and home users understand the product's advantages over traditional MDF, standard HMR, and even plywood in moisture-prone applications.

Long-term business outlook-Merino has announced strategic ambitions to reach a ₹750-crore top line from its chipboard and Marine Board portfolio by 2030 demonstrating clear commitment, investment, and scalability.

In a short period, Merino Marine board has grown from a new SKU to a category-defining solution, embraced by early adopters across India under wood panel Industry from make in India's goals.

Leading India's Transition to the Next Generation Panel Era

Merino Marine Board is a technology intensive, sustainability aligned, market-ready innovation that has redefined expectations in India's wood panel industry. Since its introduction in 2025, it has reshaped the thinking of architects, designers, and project professionals regarding next-generation substrates for high-moisture interiors. As India moves toward health-conscious, and environmentally responsible materials, Merino stands at the forefront driving this transition with quality, technology, and a clear vision for the future of the panel industry. This is also Leading India's Transition to the Next Generation Panel Era.

Key features of Merino Marine Board

Merino Marine Board is an ultra high moisture-resistant engineered wood panel made from 100% natural wood chips bonded with advanced resins.

Key performance highlights include:

- Absorbs significantly less water compared to standard green HMR boards.
- Withstands boiling-water exposure without swelling or losing structural strength.
- Superior screw-holding and re-screwing capability.
- Ultra-low formaldehyde emissions (E 0.5 or E1 grade).
- Termite and borer resistance. □

Wood Based Panel: Challenges and Future Directions



Dr. C N Pandey

Senior Technical Advisor

Federation of Indian Plywood & Panel Industry (FIPPI)

Wood-based panels represent a broad category of engineered board products designed to meet diverse structural, functional, and aesthetic requirements. These products—such as plywood, particleboard, fibreboard, and oriented strand board—are known for their impressive range of engineering properties, making them integral to modern construction, furniture, packaging, and interior applications. While some panel types are relatively recent innovations, others have been in use for more than a century. Yet, despite their long history, wood-based panels continue to evolve. Due to emerging technologies, market demands, and raw material challenges, these products are far from fully developed and will likely remain dynamic, with continuous innovation shaping their future.

The evolution of wood-based panels is primarily driven by three major forces—technological advancements, market requirements, and the changing raw material scenario. Technological progress has significantly influenced manufacturing efficiency and product performance. Innovations in adhesive chemistry, production systems, online measuring techniques, and process control have enabled manufacturers to optimize panel properties while reducing production costs. These advances have helped producers enhance product quality, meet regulatory standards, and remain globally competitive. The adoption of automated refining, digital quality monitoring, and

precision blending techniques has further accelerated this transformation, marking a shift towards smart manufacturing in the panel industry.

Simultaneously, market needs create a strong pull for product innovation. Changing consumer preferences and new application requirements push manufacturers towards developing panels with specialized properties. For example, the increasing demand for lightweight furniture has led to the development of lightweight particleboards and honeycomb structures. Similarly, advancements in surface finishing and coating technologies require panels with improved surface smoothness, dimensional stability, and compatibility with new decorative Manufacturers are now designing panels that are fire-resistant, moisture-resistant, or acoustically enhanced to serve niche areas in construction, packaging, and interior design.

Health and environmental concerns have emerged as critical considerations in panel manufacturing. Formaldehyde emissions—which were once a major health concern—have been dramatically reduced due to improved adhesive formulations, stricter regulations, and advanced emission control technologies. Manufacturers, adhesive suppliers, and researchers continue their efforts to further minimize emissions and develop eco-friendly, low-emission binders. Additionally, volatile organic compounds (VOCs) emitted from wood and adhesives are now under scrutiny. The industry is exploring new production techniques and material substitutes to detect, mitigate, and eliminate VOC emissions, ensuring safer indoor air quality and compliance with evolving global environmental standards.

Another key driver in the development of wood-based panels is the continuously changing availability and quality of raw materials. Traditionally, panel production relied on fresh wood from managed forests. However, factors including changes in forest management practices, supply fluctuations, and increased competition from the energy and biomass industries have significantly impacted the availability of timber for panel production. As the demand for wood in the energy, furniture, and packaging sectors increases, panel manufacturers are compelled to explore alternative sources such as agroforestry, short-rotation plantations, recycled and recovered wood, and industrial wood residues. These alternative materials often differ in properties and require modifications in processing methods to ensure consistent quality. The high variability of wood raw material—unlike the standardized inputs used in many other industries—presents a significant challenge and requires continuous adaptation and optimization of manufacturing processes.

Beyond these external drivers, the intrinsic complexity of wood-based panels adds to the difficulty



of advancements. Panels are hierarchically structured materials, composed of intricate layers ranging from molecular-level chemical bonds to macroscopic structural configurations. This layered structure contributes to their desirable mechanical, thermal, and acoustical properties. However, it also makes it challenging to innovate effectively, as improvements need to consider multiple levels of the material's structure simultaneously. Truly enhancing the engineering performance of wood-based panels requires deep understanding of material science, adhesive chemistry, heat and mass transfer, composite mechanics, and process engineering. Innovation is only possible when the fundamental mechanisms at each level are clearly understood.

The role of research and development institutions, universities, and industry laboratories is vital in bridging this knowledge gap. Ongoing studies focus on improving mechanical performance, reducing environmental impact, enhancing durability, and developing bio-based adhesives. Digital modelling, process simulation, and artificial intelligence are increasingly being used to predict product properties, optimize manufacturing parameters, and design new board formulations. These developments will further transform the industry and support sustainable, efficient production.

Wood based panel industries in the last few years have undergone significant transformation, driven by technology, market demands, environmental concerns, and raw material dynamics. Although substantial progress has been made, the sector remains rich with opportunities for innovation. With continuous research, advanced

in manufacturing technology, and a growing focus on sustainability, the future of wood panel industry promises higher performance, greater efficiency, and improved environmental compatibility. Their unique combination of versatility, eco-friendliness, and adaptability continues to make them an essential material for modern society.

Recent policy developments have set a transformative course for the Indian plywood and panel industry. Foremost among them is the implementation of the Quality Control Order (QCO) for wood-based panel products by the Department for Promotion of Industry and Internal Trade (DPIIT). This long-awaited reform is a defining milestone in our pursuit of quality assurance, consumer protection, and international competitiveness.

The QCO introduces mandatory standards that raise the bar for product quality across the country. It helps eliminate sub-standard imports and ensures that every wood-based panel product—whether manufactured locally or imported—meets stringent norms aligned with global benchmarks. This regulatory shift will not only enhance consumer trust but also boost the credibility of Indian products in international markets.

Federation of Indian Plywood and Panel Industry (FIPPI) has actively supported this transition by collaborating with stakeholders, government agencies, and technical institutions. In particular, our partnership with the Indian Council of Forestry Research and Education – Institute of Wood Science and Technology (ICFRE-IWST), Bangalore, has enabled the revision and modernization of product standards to reflect current and emerging needs across a wide spectrum of panel products. □

Representation on the Transformational Role of Quality Control Orders (QCOs) in Strengthening India’s Wood Panel Industry



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FIPPI/80/3/QCO-2025-26

20 November 2025

To,
Shri Piyush Goyal
Hon’ble Minister of Commerce & Industry Government of India
Udyog Bhawan, New Delhi-110011.

Shri Pralhad Joshi
Hon’ble Minister of Consumer Affairs,
Food and Public Distribution
Krishi Bhawan, New Delhi-110001.

Subject: Transformational Impact of QCOs on India’s Wood Panel Industry & the Need for Continued Policy Stability.

Respected Sir,

The implementation of the Quality Control Order (QCO) issued by the Department for Promotion of Industry and Internal Trade (DPIIT) and the Bureau of Indian Standards (BIS) has been one of the most transformative developments in the Indian plywood and panel industry. These mandatory standards have not only strengthened domestic manufacturing, enhanced consumer safety, and positioned India as a global hub for high-quality, standardised products, but also discouraged the production and circulation of substandard or non-compliant materials.

The consistent emphasis on quality, consumer protection, import discipline, and domestic value addition has revived the industry that was earlier struggling due to substandard imports and highly uneven market practices. The QCOs have not only protected consumers but have also unlocked unprecedented manufacturing growth, enhanced investment confidence, and strengthened India’s long-term self-reliance in wood-based products.

The Federation remains deeply committed to supporting the Government’s vision of “**Make in India**” and “**Atmanirbhar Bharat**” through continuous engagement, industry-wide compliance, and sustained collaboration to ensure quality, sustainability, and competitiveness across the sector. With India entering a period of robust economic expansion—driven by rising incomes, rapid growth in real estate, and a gradual shift away from import dependence—the plywood and panel industry stands poised for accelerated growth, with QCO implementation acting as a key enabler.

For decades, the production of plywood, MDF, and particle boards in India operated under widely varying conditions — inconsistent raw materials, fluctuating labour availability, and regionally driven manufacturing practices. With the QCO, the industry has been forced to restructure itself from the ground up. Now, India’s wood-based panel sector is undergoing a once-in-a-generation transformation—from an import-vulnerable, fragmented manufacturing base to a disciplined, investment-ready, globally competitive industry.

This transformation is particularly significant because the sector is predominantly MSME-driven, with thousands of small and medium manufacturers forming the backbone of production and employment. The QCO has brought these units into a formal quality ecosystem for the first time, necessitating substantial upgrades in process discipline, documentation, testing infrastructure, and overall compliance culture. Simultaneously, the role of BIS has expanded considerably, with mandatory

certification, continuous surveillance, and standardised testing now becoming central pillars of industry operations — reshaping how manufacturers source raw materials, manage their processes, and produce high quality products. To ensure a smooth and effective transition, MSMEs require structured handholding, guidance, and support from BIS, enabling them to adapt efficiently, build capacity, and fully participate in the formal quality ecosystem. FIPPI further seeks to highlight the key features of this transformation as follows:

1. From Informal Practices to a Regulated Ecosystem

The past few months have brought a level of disruption and introspection that the industry has never experienced. For instance, manufacturers in Kerala — traditionally known for low-cost production — were compelled to shut operations during Onam to reorganize processes and shift to technical-grade urea, a requirement long overlooked.

While critics might argue that compliance should have been standard practice, regional manufacturing ecosystems have historically evolved under pressures of cost, labour, and local availability. Encouragingly, many of these manufacturers have now embraced corrective measures and transitioned to compliant systems, demonstrating the Indian industry's ability to adapt when expectations are clear and enforcement is consistent.

2. The BIS Paradigm Shift — Quality Under Continuous Watch

Post-QCO, BIS inspections and random sampling have become routine. Manufacturers have been compelled to invest in process controls, documentation systems, and machinery upgrades simply to retain certification.

The financial burden has been significant — not only in testing and upgrades but in unlearning old habits and establishing a true quality culture. Many factories were built to function economically rather than scientifically. Today, organisations are retraining workers, reformulating adhesives, and recalibrating presses. It is a challenging process, but one essential for building credibility in both domestic and global markets.

3. Supporting MSMEs in Transitioning to QCO Compliance

The MSME sector, which forms the backbone of the plywood and panel industry, is currently navigating a phase of transition following the implementation of the mandatory Quality Control Orders (QCOs). The QCOs, with their focus on enhancing product quality and safeguarding consumers, present an opportunity for smaller manufacturers to strengthen their operations and competitiveness.

With adequate support, guidance, handholding and phased capacity-building initiatives from BIS, MSMEs can fully embrace and transition to the QCO compliance. This approach not only strengthens compliance but also nurtures confidence and resilience across the MSME ecosystem.

4. Simplified Scheme of Inspection and Testing for Micro Enterprises

A simplified and proportionate Scheme of Inspection and Testing (SIT) is crucial to ensure that compliance remains practical and achievable for micro enterprises, many of which operate with limited technical manpower and resources. For example, maintaining in-house laboratories, product-level control testing, and the requirement to maintain detailed test records may not be compulsory.

Introducing such targeted measures—aligned with exemptions already provided in sectors like footwear and rubber soles—would enable these units to meet QCO requirements efficiently.

5. Market Realignment and Standard Awareness

A significant shift in the post-QCO environment has been the industry's realignment with actual product standards. Manufacturers who previously operated in a loosely defined market framework are now required to educate buyers about the correct specifications and guide them toward the appropriate grade for their applications. This transition—though gradual—has brought greater clarity to the market. Quality definitions are now better understood, buyers are more informed, and manufacturers are increasingly aligned with the standards they produce, resulting in a more transparent and disciplined ecosystem.

FIPPI and its affiliated members, in collaboration with BIS, can play an active role in this process by conducting awareness campaigns and training programs engaging dealers and retailers, progressively bringing them into the compliance network, and thereby strengthening industry-wide understanding and adoption of standards.

6. Rising Capacity Utilization and Industrial Discipline

A striking trend emerging from this transformation is the increase in factory utilisation — up by nearly 20–30% across many units. As quality consciousness improves, manufacturers are hiring more labour, strengthening process discipline,

and achieving better production cycles. Payment cycles have also improved, as buyers increasingly recognise the value of consistent quality.

This signals an important truth: regulation, when implemented steadily and uniformly, can strengthen rather than strain an entire industry.

7. Building Capabilities for Import Substitution and Global Reach

Indian manufacturers are actively considering to develop domestic alternatives to imported premium panels such as Russian Birch, Radiata Pine MDF and other decorative panels. Many of these new products are undergoing trials, and if successful, they could position India as a credible global supplier of engineered panels — a significant milestone for the nation's manufacturing sector.

8. Vulnerability to Policy Shifts and Import Surges

Despite recent progress, the industry remains vulnerable. Investments made by panel manufacturers are long-term, based on an assumption of stable regulatory frameworks and predictable demand.

Any abrupt liberalisation of imports at this juncture could severely damage domestic manufacturers who are still stabilising under the QCO regime. The industry does not seek protectionism, but it does need policy stability and continuity to achieve global competitiveness.

9. Raw Material Challenges — Timber, Core, and Global Disruptions

Raw material availability continues to pose challenges. Prices of local timber remain elevated, while core veneer supplies have suffered due to geopolitical and weather-related disruptions:

- Heavy rains in Vietnam affected peeling operations
- Tanzania's elections disrupted trade
- Uganda imposed a temporary ban on core exports

With African markets reopening and conditions improving in Vietnam, manufacturers anticipate a smoother flow of raw materials. Many units have already expanded capacity and are ready to scale up — but this progress could be undermined if cheap imports flood the market at this sensitive stage.

10. Manipulation in Imported Material — A Quiet but Serious Threat

Imported panels remain insufficiently scrutinised. BIS checks at ports typically involve sampling only a few pallets. Overseas suppliers often export under a common trade name and may form supply cartels.

There have been repeated instances of containers being stacked with high-quality sheets on top and inferior rejects at the bottom. Since BIS sampling usually tests top layers, such shipments pass inspection — undermining domestic manufacturers who must comply with far stricter norms. Despite the implementation of QCOs since February 2025, non-BIS-compliant plywood and panel products continue to enter Indian markets, raising questions about the effectiveness of the regulations.

In the plywood segment, although no manufacturer from Vietnam or China holds a BIS license for any category of plywood, both countries remain among the top sources of India's plywood imports post-QCOs. Similarly, in the MDF segment, India continues to import primarily from China, despite the absence of any BIS-licensed manufacturer there. The situation in the particle board segment is even more concerning, as imports continued post-QCOs despite the first BIS license for a foreign manufacturer being granted only in October 2025, indicating persistent compliance challenges across all product categories.

11. Due diligence for foreign manufacturers vis-à-vis domestic manufacturers

Another area of concern pertains to indications that certain BIS-certified foreign manufacturers may be misusing their licenses to facilitate the entry of non-certified plywood under the cover of certified consignments, thereby undermining the core intent of the QCOs. In the case of Nepal, for instance, while all plywood imports from Nepal from April 2025 onwards originated from BIS-certified manufacturers, trade data reveal an abnormal surge in exports to India from these very manufacturers in the subsequent months. The simultaneous spike in export values and volumes across most manufacturers suggests that non-BIS-compliant plywood may be entering India under the cover of certified material, calling for a robust enforcement and due diligence mechanism to ensure genuine compliance with the QCOs.

Post-implementation of the QCOs, BIS has maintained a stringent and continuous surveillance regime for domestic plywood and panel manufacturers. Establishing a uniform and rigorous surveillance mechanism for foreign manufacturing units is therefore essential to ensure fair competition and uphold the integrity of the QCO framework.



Conclusion

The Indian plywood, MDF, and particle board industry is undergoing a once-in-a-generation transformation. The QCO has ushered in much-needed accountability, technological upgradation, and a renewed focus on quality. But the journey toward stability and global competitiveness requires time, trust, and consistent policy support.

The industry is not asking for protection — only for fairness. Quality systems cannot transform overnight in a country as diverse and complex as India. With continued policy stability, enforcement consistency, and structured handholding, the sector is well-positioned to make significant contributions to national manufacturing growth, rural employment, agroforestry expansion, and India's export potential in plywood and panel products.

We remain deeply grateful for your continued leadership and support, and reaffirm our commitment to working closely with the Government of India to help position the country as a global hub for high-quality plywood, MDF, particle boards, and allied panel products. With sustained economic growth and the effective implementation of QCOs, we anticipate that the demand for wood panel products will double in the next five to seven years.

With warm regards,

Yours sincerely,

Rajesh Mittal
President
Federation of Indian Plywood and Panel Industry (FIPPI)

Copy to:

1. Shri Sanjay Garg Director General
Bureau of Indian Standards (BIS) Manak Bhawan, New Delhi
2. Shri Sanjiv Joint Secretary,
Department for Promotion of Industry and Internal Trade (DPIIT) Vanija Bhawan, New Delhi,

FIPPI Highlights End-Consumer & Carpenter-Driven Plywood & Panel Products and Showcases Positive Sector Transformation Post-QCOs – Submits Representation to NITI Aayog Urging Policy Continuity



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FIPPI/Reforms2/2025-26

December 29, 2025

To,
Shri Rajiv Gauba, IAS (Retd.)
Member, NITI Aayog
New Delhi – 110001.

Subject: Representation on Key Insights and QCO-Driven Transformations in the Indian Plywood and Panel Sector - Request for Policy Continuity to Strengthen the Domestic Industry.

Respected Sir,

At the outset, we respectfully take this opportunity to introduce the Federation of Indian Plywood and Panel Industry (FIPPI). Established in 1961, FIPPI is the apex national body representing manufacturers and regional associations engaged in the production of plywood, medium-density fibreboard (MDF), and particle board across India. The Federation serves as the principal representative voice of the industry in matters relating to policy formulation, regulatory consultations, and issues of national importance. At present, FIPPI comprises 44 primary members, 20 affiliated members, and 1 associate member, collectively representing plywood and panel manufacturers ranging from large-scale to medium-scale and small-scale enterprises, as detailed in **Annexure I**.

End-Consumer and Carpenter-Driven Plywood and Panel Products

The Indian plywood industry has a well-established history spanning over a century, with its origins dating back to 1906–07, reflecting its long-standing presence and evolution in the country. The industry primarily serves end consumers directly through a large network of dealers and retailers. In Delhi alone, there are more than 9,000 plywood dealers. More than 90% of plywood and panel products reach end consumers through this network of dealers and retailers, while less than 10% are supplied to Original Equipment Manufacturers (OEMs) or furniture manufacturers.

Contrary to a common misconception, plywood and panel products in India are predominantly purchased by end consumers rather than being used primarily as industrial inputs. Across the country, most kitchen cabinets, wardrobes, and interior fittings are custom-built by carpenters directly at homeowners' premises as unorganized sector. In the broader furniture market, approximately 90% of the home furniture segment and 70% of the office furniture segment is served by this unorganized sector, supporting the livelihoods of over one million carpenters and woodworking entrepreneurs registered under the Prime Minister Vishwakarma Scheme of the Ministry of Skill Development and Entrepreneurship (of which about 4 lakhs are certified under the scheme).

Further, the industry is currently capable of producing up to 625 distinct grades of plywood. From a consumer perspective, given this high degree of product diversity and the limited ability of consumers to distinguish between standardized, quality-assured products and sub-standard alternatives, there exists a significant risk of consumers being misled at the retail level,

often resulting in the purchase of inferior (substandard) products in the name of high-quality products.

Before the enforcement of the QCOs, the widespread availability of substandard plywood and panel products posed significant challenges for carpenters and woodworking entrepreneurs. These challenges often led to rework, wasted time, and a decline in consumer trust in carpenters' craftsmanship, prompting many end consumers to prefer ready-made or imported furniture. The QCOs, by ensuring that only high-quality, standardized plywood and panel products are available in the market, have directly boosted carpenters' confidence while aligning with the objectives of the Prime Minister Vishwakarma Scheme, 2023.

We wish to bring to your esteemed attention that the recently enforced Quality Control Orders (QCOs) on plywood and panel products, effective from February 2025, have addressed the concerns outlined above. These mandatory QCOs provide consumers with the assurance that the wood panels available in the market conform to the minimum prescribed standards, thereby protecting them from inadvertently purchasing low-quality products. From a consumer perspective, this has enhanced confidence in the quality of plywood and panel products and strengthened their willingness to invest in such purchases. From an industry perspective, this increased consumer trust is encouraging the domestic plywood and panel industry to undertake investments in capacity augmentation and quality improvement, thereby supporting the sector's growth and competitiveness.

A detailed explanation is attached as **Annexure II** for your kind perusal.

Transformation of the Plywood and Panel Industry Through QCOs

We further wish to highlight key points illustrating the necessity of the QCOs on plywood and panel products, and the principal aspects of the industry transformation driven by these reforms:

The Indian plywood and panel industry is undergoing a once-in-a-generation transformation — evolving from an import-vulnerable, fragmented manufacturing base into a disciplined, transparent, investment-ready, and globally competitive sector. By bringing unorganized players into the formal quality and taxation framework, the QCOs are establishing a level playing field for already compliant manufacturers and, importantly, strengthening government tax revenues.

The QCOs, by permitting the import of plywood and panel products only from foreign manufacturers holding a valid BIS license, are ultimately facilitating import substitution. The assurance that plywood and panel products available in the market conform to the minimum prescribed quality norms is boosting consumer confidence in domestically manufactured products. This, in turn, is creating a conducive environment for investments and capacity augmentation by domestic manufacturers.

More importantly, post-QCOs, domestic consumers are accessing high-quality, standardized plywood and panel products without any price increase, as many manufacturers are leveraging this period to boost production and optimize capacity utilization, thereby supporting cost normalization through natural market dynamics. Going forward, the recently enforced QCOs, by aligning Indian standards for plywood and panel products with internationally recognized benchmarks, have boosted the industry's export potential and thus, have laid a strong foundation for transforming India into a net exporter of plywood and panel products.

A detailed explanation is attached as **Annexure III** for your kind perusal.

QCOs Supporting Farmers, Rural Economies, Employment and Environmental Sustainability

By sourcing timber sustainably from agroforestry plantations, the Indian plywood and panel sector supports over one million farmers. Following the implementation of the QCOs, the increased timber demand driven by higher domestic production, import substitution, and enhanced export potential is directly benefiting farmers with higher incomes, supporting the government's objective of Doubling Farmers' Income.

Furthermore, the growing demand for agroforestry plantations resulting from the recently enforced QCOs is contributing significantly to the expansion of green cover and climate mitigation, ultimately aiding the achievement of the nation's Nationally Determined Contributions (NDCs) goal of creating an additional carbon sink of 2.5–3 billion tonnes of CO₂ equivalent by 2030.

Importantly, the plywood and panel industry is a highly labour-intensive sector, providing employment to over 3.5 million people across plantation activities, processing, and allied operations, with a substantial concentration in rural and semi-urban areas. The QCO-driven expansion of domestic manufacturing is reinforcing employment generation across the value chain, strengthening rural economic ecosystems and supporting inclusive and sustainable industrial growth.

A detailed explanation is attached as **Annexure IV** for your kind perusal.

In view of the above, FIPPI respectfully requests NITI Aayog to support continued policy stability, as any deviation from the current mandatory QCO framework would be a significant setback to the industry, adversely impacting farmers' incomes,

rural livelihoods, and the sector’s positive contributions to sustainable development and climate mitigation.

We trust our representation will receive your favourable consideration.

Thanking You,

Rajesh Mittal
President
Federation of Indian Plywood and Panel Industry (FIPPI)

Copy to:

Shri Amardeep Singh Bhatia, IAS
 Secretary
 Department for Promotion of Industry and Internal Trade (DPIIT)
 Vanijya Bhawan, New Delhi

Annexure I

Composition of FIPPI – Primary, Associate and Affiliated Members

1.0 Primary Members

The Memorandum and Rules & Regulations of the Federation of Indian Plywood and Panel Industry (FIPPI) define a primary member as:

“Any person, firm, company, or corporation, approved by the Government of India or by the State Governments as manufacturers and producers of plywood and/or tea chests, chipboards, particle boards, insulation boards, hardboards, fibre boards, and other ligno-cellulose-based panel products, shall be eligible to become a Primary Member of the Federation.”

At present, FIPPI comprises 44 primary members, including manufacturers across the spectrum of large-scale, medium-scale, and small-scale enterprises. The complete list of these members is provided below:

Table 1: List of FIPPI Primary Members

S. No.	Primary Member	S. No.	Primary Member
1.	AK Apple Ply Pvt. Ltd.	23.	Maheshwari Woods Private Limited
2.	Amazon Wood Pvt. Ltd	24.	Mayur Panel Pvt. Ltd.
3.	Amulya Mica Industries Pvt. Ltd.	25.	Merino Industries Ltd.
4.	Archidply Industries Ltd.	26.	Metro Plywood Pvt. Ltd.
5.	Austin Plywood Pvt. Ltd.	27.	New Pragati Plywood Industries
6.	Balaji Action Buildwell Pvt. Ltd.	28.	Northern Plywood Products
7.	Birmi Wood Products	29.	Oswin Wood Panels Pvt. Ltd.
8.	Century Plyboards (India) Ltd.	30.	Palghar Plywood Products Pvt. Ltd.
9.	Duroply Industries Ltd.	31.	Pashupati Veneer
10.	E3 Panels Pvt. Ltd.	32.	Punjab Wood Products
11.	Everest Ply & Veneers (P) Ltd.	33.	R.P. Wood Products Pvt. Ltd.
12.	Gattani Industries	34.	Realply Industries Pvt. Ltd.
13.	Greenlam Industries Ltd.	35.	Riangdo Veneers Pvt. Ltd.
14.	Greenpanel Industries Ltd.	36.	Royale Touche Laminates Pvt. Ltd.
15.	Greenply Industries Ltd.	37.	Rushil Décor Ltd.
16.	Gujarat Woodlam Products Pvt. Ltd.	38.	Strandply LLP

17.	Hunsur Plywood Works Pvt. Ltd.	39.	Sylvan Plyboard (India) Ltd.
18.	Jacsons Veneers and Panels Pvt. Ltd.	40.	The Western India Plywood Ltd.
19.	Jagdamba Wood Industries	41.	United Timber Works
20.	Jollyboard Ltd.	42.	Virgo Plywood Limited
21.	Lalson's Pvt. Ltd.	43.	Vritti Impex Pvt. Ltd.
22.	Magnus Plywood Pvt. Ltd.	44.	Woodon MDF Panels Pvt. Ltd.

2.0 Associate Members

The Memorandum and Rules & Regulations of the Federation of Indian Plywood and Panel Industry (FIPPI) define an associate member as:

“Any person, firm, company, or corporation engaged in any trade or industry subsidiary to, or interested in, the plywood and panel industry shall be eligible to become an Associate Member of the Federation.”

Currently, FIPPI comprises 1 Associate Member, as listed below:

Table 1: List of FIPPI Associate Members

S. No.	Associate Member
1.	ARCL Organics Ltd.

3.0 Affiliated Members

The Memorandum and Rules & Regulations of the Federation of Indian Plywood and Panel Industry (FIPPI) define an affiliated member as:

“Any association of plywood and panel manufacturers, including manufacturers of chipboard and other ligno-cellulose based panel products, shall be eligible to become an Affiliated Member of the Federation.”

At present, FIPPI comprises 20 regional associations as its affiliated members, as listed below:

Table 3: List of FIPPI Affiliated Members

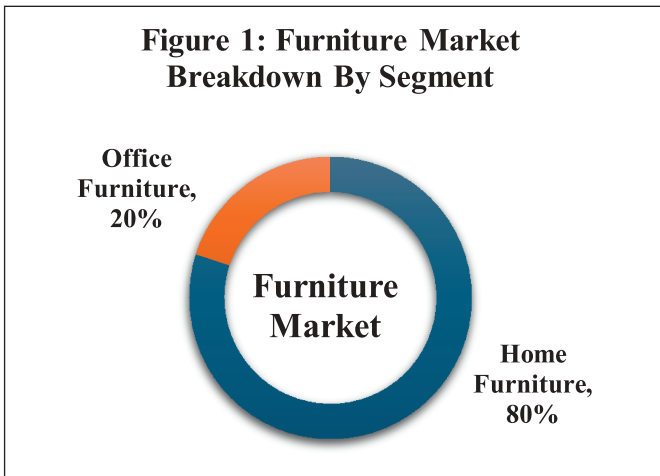
S. No.	Affiliated Member
1.	All India Plywood Manufacturers Association (AIPMA)
2.	All Kerala Plywood & Block Board Manufacturers Association (AKPBBMA)
3.	Association of Indian Plywood & Laminate Industries
4.	Association of Indian Plywood Panels & Laminate Industries
5.	Awadh Plywood Manufacturers Association (U.P.)
6.	Delhi - NCR Plywood Manufacturers Association
7.	Gujarat Plywood & Veneers Manufacturers Association
8.	Haryana Plywood Manufacturers Association
9.	J & K Plywood Manufacturers Association
10.	Kandla Timber Association
11.	North Malabar Plywood & Doors Manufacturers Association
12.	Plywood Manufacturers Welfare Association (U.P.)
13.	Punjab Plywood Manufacturers Association
14.	Rajasthan Plywood Manufacturers Association
15.	Saw Mill Owners & Plywood Manufacturers Association (SOPMA)
16.	The Bengaluru Plywood Manufacturers Association
17.	The Karnataka Plywood Manufacturers Association

18.	The South Indian Plywood Manufacturers Association (SIPMA)
19.	UK UP Plywood Association
20.	Wood Technologist Association (WTA)

Annexure II

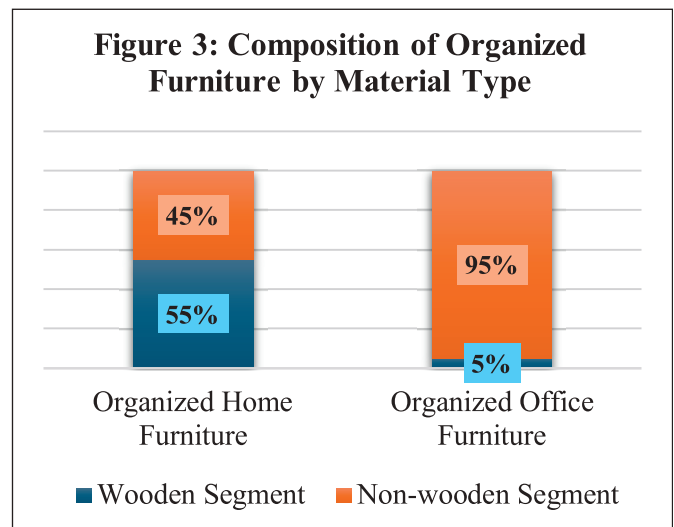
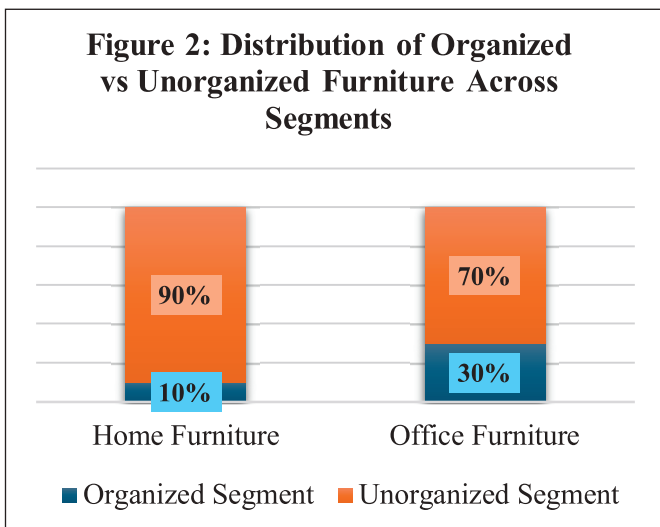
End-Consumer & Carpenter-Driven Plywood & Panel Products

1.0 Plywood & Panel Products are Primarily Direct Consumer Products, Not Inputs for the Organized Furniture Industry



In contrast to a common misconception, the application of plywood and panel products extends far beyond Original Equipment Manufacturers (OEMs) or organized furniture manufacturers. Across India, the majority of kitchen cabinets, wardrobes, and interior fittings are custom-built by carpenters directly at the homeowner’s premises. A substantial volume of plywood and panel products is also utilized in construction shuttering, the manufacture of wooden containers, and other wood-based applications. This diverse usage underscores the predominance of end consumers in driving demand, as illustrated in the accompanying graphs.

In the broader furniture market, the home furniture segment accounts for 80% of overall consumption, while office furniture represents the remaining 20%. A substantial portion of this



market is captured by the unorganized sector, which accounts for approximately 90% of home furniture and 70% of office furniture. The organized industry, by contrast, holds only a minor share. These remarkable proportions of the unorganized sector support the livelihoods of over one million carpenters and woodworking entrepreneurs, registered under the PM Vishwakarma Scheme of the Ministry of Skill Development and Entrepreneurship.

Within the organized segments, wooden furniture comprises roughly 55% of home furniture and only 5% of office furniture, with the remainder consisting of non-wooden materials. Consequently, only about 8.4% of the total furniture market pertains to wooden furniture produced by the organized sector, which includes both solid wood and plywood & panel products.

These figures clearly demonstrate that plywood and panel products are not merely industrial inputs. Rather, they are primarily direct consumer products, as they form the essential final products for carpenters and woodworking entrepreneurs in the unorganized segment, who serve end customers directly.

2.0 QCOs on Plywood & Panel Products Boost Carpenters’ Confidence, Supporting the Prime Minister Vishwakarma Yojana

Prior to the enforcement of the QCOs on plywood and panel products, carpenters and woodworking entrepreneurs faced significant credibility challenges due to the widespread availability of substandard plywood and panel products in the Indian market. As skilled professionals, these artisans rely on consistent, high-quality materials to deliver superior results. The use of inferior products often led to rework, wasted time and resources, and diminished trust in the carpenters' craftsmanship, prompting customers to prefer ready-made or imported furniture and fixtures.

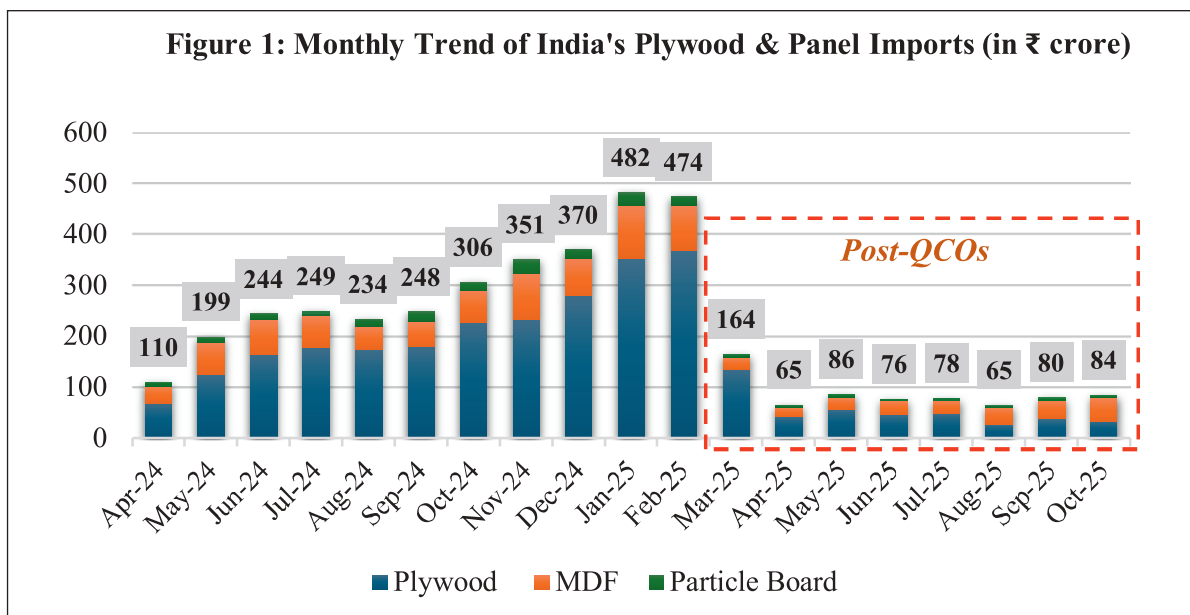
The Government of India launched the Prime Minister Vishwakarma Scheme in 2023 to provide comprehensive support to traditional artisans and craftspeople engaged in manual and tool-based work. The carpenters' community is entitled to benefits under this scheme, with over one million artisans already registered and the number continuing to grow.

The implementation of QCOs ensures that only high-quality, standardized plywood and panel products are available in the market, thereby directly boosting carpenters' confidence. This development aligns with the objectives of the PM Vishwakarma Scheme, empowering artisans to maintain their professional credibility, deliver superior products, and enhance customer trust.

Annexure III

Transformation of the Plywood & Panel Industry Through QCOs

1.0 QCOs Enabling Import Substitution in Plywood & Panel Products



Over the past few years, India witnessed a sharp increase in imports of plywood and panel products, a significant portion of which were substandard and often dumped in the domestic market at substantially lower prices. During FY 2024–25, imports of wood panels—including plywood, medium-density fibreboard (MDF), and particleboard—were valued at ₹3,431 crore, reflecting a compound annual growth rate (CAGR) of 14.6% over the past five years. This influx placed quality-compliant domestic manufacturers at a competitive disadvantage and also raised concerns regarding the safety and performance of finished products used by end consumers.

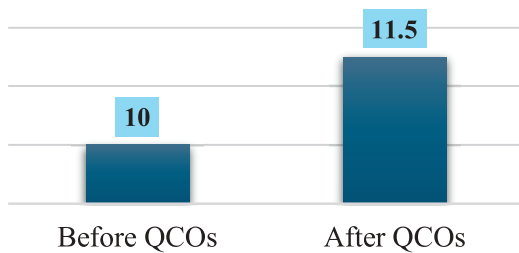
The implementation of the QCOs has addressed these concerns by permitting the import of plywood and panel products only from foreign manufacturers holding valid Bureau of Indian Standards (BIS) licences, thereby ensuring that only standardized and quality-assured products enter the Indian market. This has begun to reduce reliance on non-compliant imports and is facilitating import substitution. This is leading to higher domestic value addition, ultimately benefitting farmers, generating huge employment, and advancing the environmental sustainability in the nation.

2.0 QCOs As a Catalyst for Investments & Capacity Augmentation Across the Industry

Following the implementation of the QCOs, there has been a nearly 15% increase in domestic plywood production. Between April and September 2025, production rose from 10 million cubic meters to 11.5 million cubic meters (approaching the full utilization of the installed capacity of 12 million cubic meters). This significant rise in production reflects the growing demand for high-quality, standardized plywood, driven by enhanced consumer confidence in the market.

As a result, several industry players are expanding their manufacturing capacities to meet the growing demand for

Figure 2: Plywood Capacity Utilization (in million cubic meters)



standardized, compliant plywood. Approximately ₹600 crore has already been invested by leading companies such as Century Plyboards, Greenply, Royal Touche, Wigwam, and Magnus Industries to boost plywood production post-QCO implementation. In addition, major manufacturers across other wood panel segments—including Century Plyboards, Greenply, Balaji Action Buildwell, Merino, Greenlam, and others—are collectively investing more than ₹3,000 crore to enhance domestic MDF and particle board production capacities.

3.0 QCOs Lead to High-Quality, Standardized Products Without Resulting in Price Hikes

Following the implementation of the QCOs on plywood and panel products, there has been no coordinated or industry-wide hike in prices of wood panel products. While a few regional associations have increased the prices of plywood and panel products, such adjustments have been made independently and in response to localized cost structures and operational challenges. For example, manufacturers in Kerala and other parts of South India had long operated at significantly lower base prices. Due to sustained increases in the cost of core and face veneers, timber, labour, and resin, these manufacturers revised prices to reflect actual input cost escalations and to prevent further price declines.

Despite the upward pressure on raw material and chemical input costs in the recent past after the implementation of the QCOs, most leading domestic manufacturers have absorbed a significant portion of these costs through internal mechanisms. Several companies have maintained stable prices, while others have extended seasonal discounts, promotional schemes, or commercial incentives to customers. Additionally, some manufacturers are leveraging this period to boost production and optimize capacity utilization, thereby supporting cost normalization through natural market dynamics, ultimately ensuring that high-quality, standardized products reach end consumers without any price hike.

4.0 QCOs Driving the Formalization in the Plywood & Panel Industry

The Indian plywood and panel industry has historically been highly fragmented, with unorganized players accounting for approximately 80% of the sector. Many of these small, informal manufacturers operate outside formal quality and taxation frameworks. In the absence of mandatory enforcement requiring domestic manufacturers to meet minimum quality standards, these fragmented players enjoyed a competitive advantage over organized, compliant manufacturers who produced high-quality products and adhered to tax obligations. This, in turn, discouraged informal players from entering the formal system, perpetuating a cycle of low-quality products in the market and limiting government tax revenues.

The implementation of the QCOs on plywood and panel products has started to address this challenge. Under the QCOs, manufacturers are required to obtain valid BIS licenses for the products they sell, which mandates investment in process controls, documentation systems, and machinery upgrades to maintain certification. This framework directly compels previously unorganized players to adhere to prescribed quality standards and indirectly integrates them into the formal taxation system. Consequently, the transition enhances consumer confidence, establishes a level playing field for manufacturers who were already compliant, and strengthens government tax revenues.

5.0 QCOs Advancing Domestic Standards to Global Benchmarks, Stimulating Innovation & Boosting Export Potential

Despite India having significant potential to emerge as a global hub for the production and export of plywood and panel products, the country has historically remained a net importer in the absence of mandatory quality standards. In the absence of such standards, Indian products were often perceived in international markets as being of sub-par quality, even though several organized domestic manufacturers consistently produced high-quality products. The introduction of QCOs for plywood and panel products has addressed this challenge by mandating compliance with prescribed norms and aligning Indian standards with international benchmarks. These measures have enhanced confidence among domestic consumers and provided assurance to international buyers regarding the quality of products manufactured in India, thereby supporting the industry’s export potential.

Consequent to the implementation of QCOs, domestic manufacturers have begun investing in innovation and compliance with internationally recognized requirements, such as E1 and E0 emission standards and CARB regulations governing formaldehyde emissions. With a standardized quality framework now in place, the Indian plywood and panel industry has developed a well-established and rapidly expanding ecosystem for FSC-certified, CARB-compliant, and specialty plywood and panel products, including boards manufactured using exotic wood species. Several domestic manufacturers operate

with valid FSC Chain-of-Custody certifications, including facilities that import 100 percent FSC-certified raw material and convert it into plywood, MDF, and particleboard. As of October 2025, India has 30 CARB Phase-II listed plywood manufacturing units, along with 14 MDF units and 6 particleboard units formally listed as CARB P2 compliant. In parallel, several Indian manufacturers are investing in innovation to manufacture panels using exotic wood species, subject to buyer specifications and raw material availability. For instance, AK Apple Ply Pvt. Ltd., Bengaluru, currently manufactures 100 percent birch plywood conforming to E0/E1 emission norms using imported core veneers.

Annexure IV

QCOs Supporting Farmers, Rural Economies & Environmental Sustainability

1.0 QCOs-Driven Industrial Growth Supporting Farmers’ Incomes Through Increased Timber Demand

The Indian plywood and panel industry supports over one million farmers, as it relies heavily on timber sourced from agroforestry for its raw material requirements. Approximately 92% of the industry’s timber needs are met through farmer-grown plantations, while the remaining 8% is imported, primarily because short-rotation timber currently cultivated under agroforestry practices in India is not suitable for producing high-quality face veneers, excluding reconstituted veneers. By integrating tree cultivation within agricultural lands, farmers can enhance their earnings, better manage seasonal crop fluctuations, and reduce economic vulnerabilities. A comparative snapshot of annual income per acre (in Gujarat) illustrates this:

Table 1: Annual Income of Farmers from Major Food Crops (₹/acre/year)

S. No.	Crop	Income (₹/acre/year)
1	Cotton	38,000 – 40,000
2	Paddy	10,000 – 12,000
3	Wheat	28,000 – 30,000
4	Paddy + Wheat	38,000 – 42,000
5	Sugarcane	59,000 – 61,000
6	Soyabean	10,000 – 12,000
7	Soyabean + Wheat	38,000 – 42,000
8	Tuar	34,000 – 36,000

Table 2: Annual Income of Farmers from Agroforestry Crop (₹/acre/year)

S. No.	Agroforestry Crop	Income (₹/acre/year)
1	Eucalyptus	82,000 – 84,000

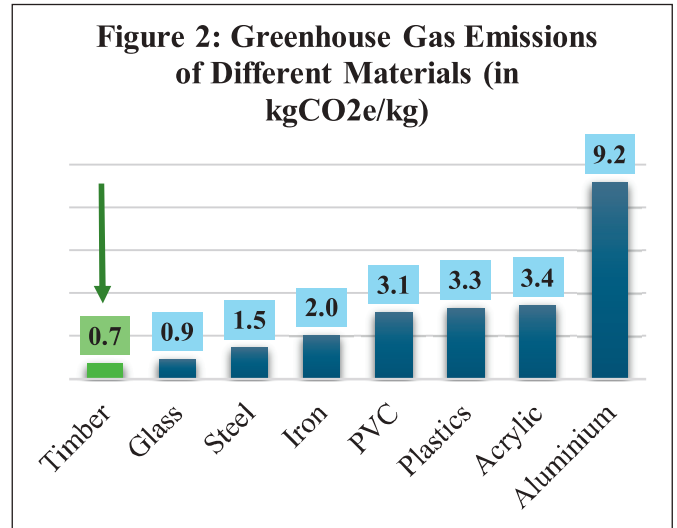
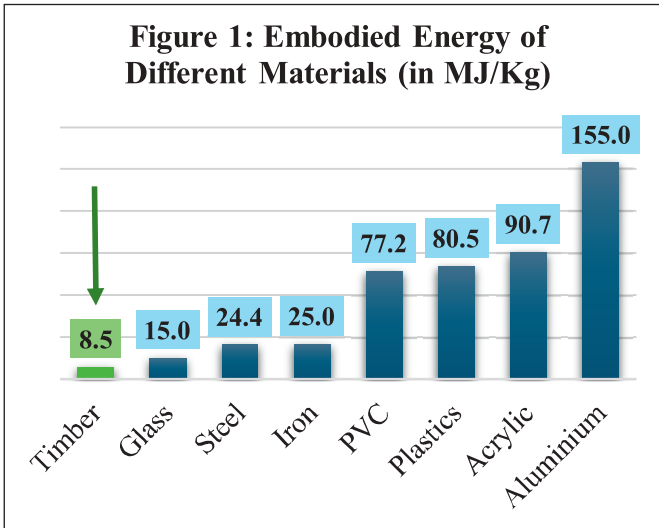
Following the implementation of QCOs, the resulting increase in domestic production, import substitution, and enhanced export potential directly benefits farmers through higher timber demand, supporting the government’s objective of Doubling Farmers’ Income.

2.0 QCOs Expanding Green Cover & Supporting Climate Mitigation

By sourcing timber sustainably, the plywood and panel industry actively contributes to expanding green cover, enhancing carbon sequestration, and supporting a broader circular economy. Among construction and furnishing materials, wood stands out for its sustainability. Timber is a naturally renewable, climate-positive resource with a significantly lower life-cycle cost. Trees capture carbon dioxide from the atmosphere, and a substantial portion of this carbon remains stored within the wood’s biomass even after harvesting and processing into products such as building frames, doors, and kitchen units.

On average, a growing tree absorbs about one ton of carbon dioxide per cubic metre while producing 0.7 tons of oxygen. In addition, timber has the lowest embodied energy among major construction and furnishing materials—only 8.5 megajoules per kilogram (MJ/kg). Lower embodied energy reduces processing energy demands and associated greenhouse gas emissions. Consequently, timber’s greenhouse gas emissions are the lowest among commonly used materials, at just 0.7 kg CO₂ equivalent per kilogram, significantly lower than glass, aluminium, steel, or PVC products.

Between 2013 and 2023, tree cover under agroforestry in India increased from 106,303 km² to 127,590 km², a net gain of 21,287 km²—a 20.02% rise over the decade. It is important to highlight that this increase is closely linked to the growth of



agroforestry, driven by rising industrial demand for timber. With QCOs promoting import substitution and higher domestic production, the plywood and panel industry’s contribution to expanding green cover and supporting climate mitigation will further strengthen, ultimately aiding India in achieving its Nationally Determined Contributions (NDCs) goal of creating an additional carbon sink of 2.5–3 billion tonnes of CO₂ equivalent by 2030.

3.0 QCOs Reinforcing Labour-intensive Growth and Employment Generation

In addition to supporting farmers through its agroforestry-based sourcing model, the Indian plywood and panel industry is a highly labour-intensive sector, currently providing employment to over 3.5 million people across the country. The workforce largely comprises unskilled and semi-skilled workers engaged across the value chain, including plantation activities, timber harvesting, veneer peeling, drying, pressing, finishing, transportation, and allied operations. A significant share of these activities is located in rural and semi-urban areas, particularly around agroforestry plantations and processing clusters, thereby providing meaningful job opportunities and helping curb rural–urban migration.

The growth in domestic manufacturing triggered by the implementation of QCOs, along with the resulting increase in demand for agroforestry-sourced timber, is reinforcing employment generation across the sector. This expansion is creating a multiplier effect across interconnected economic activities, strengthening rural and semi-urban economic ecosystems and contributing to more stable, inclusive, and sustainable industrial growth.

Representation Seeking Approval for a Short-Term Project on Utilization of Non-Conforming Wood-Based Panels



FEDERATION OF INDIAN PLYWOOD & PANEL INDUSTRY

REGISTERED UNDER THE SOCIETIES REGISTRATION ACT XXI OF 1860, REGN. NO. S/2985/1968-69 DT. 4.1.1969

1005, VIKRANT TOWER, 4, RAJENDRA PLACE, NEW DELHI 110 008, INDIA

Phone No.: +91-11-2575 5649 • E-mail: fippi@fippi.org • Website: www.fippi.org

Chief Patron Mr. Sajjan Bhajanka	Patrons Mr. S.P. Mittal Mr. M.S. Vagh Mr. N.K. Aggarwal	President Mr. Rajesh Mittal	Senior Vice President Mr. Jaydeep Chitlangia	Vice Presidents Mr. Jikesh Thakkar Mr. Keshav Bhajanka	Director General Dr. M.P. Singh
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FIPPI/61/3-1-2025

November 12, 2025

To
The Director
Institute of Wood Science and Technology (IWST)
Malleswaram Bengaluru – 560003.

Subject: Request for a Short-Term Project on Utilization of Non-Conforming Plywood, MDF and Particle Boards Generated During Manufacturing – SOP's/Code of Practice.

Dear Sir,

The Federation of Indian Plywood and Panel Industry (FIPPI) extend its sincere appreciation to the Institute of Wood Science and Technology (IWST) for its continued support to the wood-based panel industry through research and technical guidance.

During the manufacturing of MDF and Particle Boards in continuous production lines, a minor proportion of boards—approximately 2%—are unavoidably produced that do not conform to the respective BIS specifications. This occurs primarily due to inherent process variations during line startup, shutdown, grade transition, or the variability in raw wood materials derived largely from agroforestry and short rotation plantations.

Similarly, during plywood production 4-5% rejections are unavoidable as plywood manufacturing involves various stages of processing which are handled manually. Wood being an anisotropic material, cannot yield uniform physical and mechanical properties for all the panels made when compared to that of non-conventional materials which are more homogenous in nature.

Although these non-conforming boards are structurally usable, they may not fully comply with standard parameters. The generation of such material is technologically inherent in continuous operations, and reprocessing is generally not feasible. With the enforcement of Quality Control Orders (QCOs), the disposal of these panels has become a significant challenge for the industry, as they cannot be moved out of the factory premises and their continuous accumulation occupies valuable space within manufacturing units.

In view of this, FIPPI requests IWST to take up a short-term research project (4-5 months) to study and explore potential avenues for utilization, value addition, or safe disposal of this non-conforming Plywood, MDF and Particle Boards. FIPPI would be pleased to sponsor this work in project mode and collaborate closely with IWST in developing a suitable, practical, and environmentally sound solution for the industry.

Accordingly, we request IWST to kindly consider this proposal and submit a detailed project along with cost estimate.

With warm regards,

Yours sincerely,

Dr. M.P. Singh
Director General
Federation of Indian Plywood and Panel Industry (FIPPI)



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21 November 2025

To,
The Managing Director
M/s Wood O Plast
Mahila Udyami Park I, Plot No.35, UPSIDC Site A, Ecotech III,
Greater Noida, Habibpur, Uttar Pradesh 201306.

Subject: Acknowledgement of Visit to Wood O Plast and Observations on Manufacturing Challenges in the Toy Industry.

Dear Sir,

The officials (Dr. C.N. Pandey, Senior Technical Advisor and Dr. Richa Bansal, Assistant Director) from the Federation of Indian Plywood and Panel Industry (FIPPI), along with the Director, Institute of Wood Science and Technology (IWST), Bengaluru, visited your manufacturing facility Wood O Plast on 30th October 2025. The objective of the visit was to gain a deeper understanding of the technical and quality-related challenges encountered in the use of Indian MDF and Plywood as compared to imported materials such as New Zealand Pine MDF and Birch Plywood in toy manufacturing.

We sincerely appreciate the time and cooperation extended by your team during the visit, as well as the valuable insights shared regarding the current material performance, production requirements, and quality benchmarks essential for meeting both domestic and international toy safety standards.

During the inspection of the production process—particularly the laser cutting of MDF and plywood components—our team observed the occurrence of black carbon marks on the edges of Indian MDF and plywood. We fully acknowledge the concern raised by your industry regarding this recurring problem in the Indian MDF, which impacts both quality and compliance in toy manufacturing.

The Director, IWST, also expressed concern regarding these observations and emphasized the need for further technical evaluation and R&D to identify the root causes and possible solutions. We understand that the industry is facing significant challenges due to this material behaviour, especially when compared with imported New Zealand Pine MDF and Birch Plywood that performs better under similar processing conditions.

A copy of this communication is being shared with the Director, IWST, Bengaluru, for initiating further technical investigations and exploring possible R&D interventions to address the issues observed.

With warm regards,

Yours sincerely,

Dr. M.P. Singh
Director General
Federation of Indian Plywood and Panel Industry (FIPPI)

Copy to:

The Director,
 Institute of Wood Science and Technology (IWST), Bengaluru

Representation Seeking Transfer of Wooden Flush Door Standards from CED 11 to CED 20



FEDERATION OF INDIAN PLYWOOD & PANEL INDUSTRY

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04/Dec/2025

To
The Director & Head,
Civil Engineering Department (CED),
Bureau of Indian Standards,
Manak Bhawan, 9 Bahadur Shah Zafar Marg,
New Delhi – 110002.

Subject: Request for Shifting Wooden Flush Door Standards from CED 11 to CED 20 Wood and Other Lignocellulosic Sectional Committee.

Dear Sir,

This is to respectfully submit a proposal for shifting the Wooden Flush Door Standards (IS 2202 Part 1 & 2 and IS 2191 Part 1 & 2) from CED 11: Doors, Windows and Shutters Sectional Committee to CED 20: Wood and Other Lignocellulosic Products Sectional Committee.

In India, there are more than 2,000 wooden flush door manufacturing units, predominantly in the MSME sector, and a significant number of these are housed within plywood manufacturing facilities. These units primarily use wood-based raw materials such as veneers, wooden battens recovered after peeling logs, plywood, MDF, and particle boards— materials that fall comprehensively under the scope of CED 20. Furthermore, the technical subject matter of wooden flush doors predominantly relates to wood engineering, lignocellulosic material science, panel products, adhesive technologies, and recycled wood utilisation—areas where CED 20 has established subject expertise, representation, and deep technical understanding.

With the recent implementation of the BIS Quality Control Orders (QCO) for wooden flush doors effective from 11 February 2025, the relevance and need for technically sound, industry-aligned, and practically applicable standards have become even more critical. The existing standards require significant revision to incorporate current industry practices, including the use of engineered wood products, recycled timber, panel composites, and advanced manufacturing technologies—an exercise best suited for CED 20.

Rationale for Shifting to CED 20:

- CED 20 comprises experts, manufacturers, research institutions, and practitioners specializing in wood and lignocellulosic materials. Their expertise aligns closely with the raw materials, technology, and performance parameters, and sustainability considerations involved in wooden flush door manufacturing.
- Shifting wooden flush door standards to CED 20 will consolidate wood-based standardization under a single technically-relevant committee, eliminating fragmentation and promoting consistency in formulation, review, testing protocols, and certification.
- CED 20 has wide representation from SMEs, micro-enterprises, and plywood and panel manufacturers—all key

stakeholders in wooden door manufacturing. Their inclusion ensures that revised standards are practical, inclusive, and implementable, especially under the QCO regime.

With QCO enforcing compulsory certification, it is essential that the standards reflect manufacturing realities, sustainable practices, and MSME capabilities. CED 20 is best positioned to undertake these revisions effectively.

In view of the above, we humbly request your kind consideration for shifting the wooden flush door standards (IS 2202 Part 1 & 2 and IS 2191 Part 1 & 2) from CED 11 to CED 20 for future formulation, revision, and harmonisation, to ensure that the standards remain technically robust, industry-aligned, inclusive, and implementable across all scales of manufacturing.

We remain available for further discussion or to present detailed inputs in this regard. Thank you for your kind attention and consideration.

Yours sincerely,



Dr. M.P. Singh
Director General
Federation of Indian Plywood and Panel Industry (FIPPI)

Copy to:

1. The Director General
Bureau of Indian Standards (BIS) Manak Bhawan, New Delhi
2. The Director
Institute of Wood Science & Technology (IWST) Bengaluru



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16 December 2025

To
The Joint Secretary
Department for Promotion of Industry and Internal Trade (DPIIT)
Ministry of Commerce & Industry
Government of India, New Delhi.

Subject: Clarification on Availability and Quality of Certified Wood-Based Boards in India

Ref: Letter from Mitali Gurdatta Associate Consultant, Government & Public Services KPMG Advisory Services Private Limited.

Sir,

This is with reference to the observation communicated regarding the alleged limited availability and quality of certain categories of wood-based boards in India, namely: (i) FSC-certified boards, (ii) CARB-compliant boards, (iii) ASTM-standard boards, and (iv) Boards manufactured using exotic wood species.

Based on inputs received from industry stakeholders, certification bodies, and conformity assessment data available with BIS, the following clarifications are submitted for the kind consideration of DPIIT:

1. FSC-Certified Boards

India has a growing and well-established ecosystem for FSC-certified wood-based panels. Several Indian manufacturers operate with valid FSC Chain-of-Custody certification, including facilities importing 100% FSC-certified raw material and converting the same into plywood, MDF, and particleboard. It is pertinent to note that FSC is procurement and sourcing specification rather than a technical performance limitation, and Indian manufacturers are fully capable of supplying FSC-certified products when such specifications are demanded by buyers.

2. CARB-Compliant Boards

The observation regarding limited availability of CARB-compliant boards does not reflect the current industry status. As of October 2025, India has 30 CARB Phase-II listed plywood mills, along with 14 MDF mills and 6 particleboard mills formally listed as CARB P2 compliant. In addition, industry inputs indicate that more than 40 manufacturing units in India are capable of meeting CARB Phase-II emission requirements, supported by routine testing from internationally recognised laboratories. This demonstrates adequate domestic capacity to meet low-emission formaldehyde requirements for both domestic and export markets. A consolidated list of CARB Phase-II compliant plywood, MDF, and particleboard mills in India is enclosed as Annexure I.

3. ASTM-Standard Boards

ASTM standards are widely referenced for performance-based evaluation of wood-based panels. Indian manufacturers routinely conduct testing as per applicable ASTM methods through NABL-accredited and internationally recognised laboratories. Products conforming to ASTM requirements can be supplied along with third-party test reports. Clarification on specific ASTM standards, if required, may be provided to enable precise mapping.

4. Boards from Exotic Wood Species

Indian plywood and panel manufacturers are technically capable of producing boards from exotic wood species, subject to buyer confirmation and availability of veneers or raw material. Such production is already undertaken for export orders and specialised domestic applications. Hence, the capability exists, and availability is demand-driven rather than constrained by

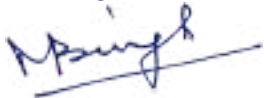
manufacturing limitations. For instance, AK Apple Ply Pvt. Ltd., Bengaluru, is currently manufacturing 100% Birch plywood conforming to E0/E1 emission grades using imported core veneers, as detailed in Annexure II.

5. Overall Industry Capability

The plywood and wood-based panel industry in India is over 100 years old and is today equipped with state-of-the-art processing machinery, advanced resin systems, and internationally aligned testing infrastructure. The industry is fully capable of meeting diverse certification, emission, and performance requirements stipulated under global standards. In view of the above, the assertion that availability and quality of FSC-certified, CARB-compliant, ASTM-conforming, or exotic species-based boards in India are limited is not supported by current data or industry capability. Indian manufacturers are well-positioned to meet such requirements, subject to clear specification and demand articulation.

This clarification is submitted for record and further appropriate action.

Thanking You,



Dr. M. P. Singh
Director General
Federation of Indian Plywood and Panel Industry (FIPPI)

Copy To:

Shri Mohammad Isharar Ali Director
 Department for Promotion of Industry and Internal Trade Ministry of Commerce and Industry
 Vanijya Bhawan, New Delhi – 110001

Annexure I

List of CARB Certified Mills in India

S. No.	Name of Mill	Board Type	Compliance Level	Province/R egion	City
1.	A.R. Woodcrafts Private Limited	HWPW-VC	Phase 2	Haryana	Yamuna Nagar
2.	Adler Wood India Private Limited	MDF, Thin MDF	Phase 2	Punjab	Mohali
3.	Afyun Plywood Industries	HWPW-VC (UF) HWPW-VC (PF)	Phase 2	Karnataka	Mangaluru
4.	Amba Panel India Private Limited	HWPW-VC	Phase 2	Uttar Pradesh	Hapur
5.	Amul Boards Private Limited	HWPW-VC	Phase 2	Gujarat	Kutch
6.	Archidply Industries Limited	HWPW-VC	Phase 2	Uttarakhand	Rudrapur
7.	Archit Nuwood Industries Limited	MDF, Thin MDF	Phase 2	Haryana	Tohana
8.	Athira Plywood	HWPW_VC	Phase 2	Kerala	Thodupuzha
9.	Austin Plywood Private Limited	HWPW-VC	Phase 2	West Bengal	South 24 Parganas
10.	Balaji Action Buildwell	tMDF & MDF	Phase 2	Uttrakhand	Udham Singh Nagar
11.	Balaji Action Buildwell	PB	Phase 2	Uttrakhand	Udham Singh Nagar
12.	Century Panels Limited	MDF, Thin MDF	Phase 2	Andhra Pradesh	YSR Kadapa
13.	Century Plyboards (I) Limited	MDF, Thin MDF	Phase 2	Punjab	Hoshiarpur
14.	Century Plyboards (India) Limited	PB	Phase 2	Tamil Nadu	Gummidipoondi, Thiruvallur
15.	Duroply Industries Limited	HWPW-VC	Phase 2	Gujarat	Rajkot
16.	Everest Ply & Veneers Private Ltd.	HWPW-VC	Phase 2	Andhra Pradesh	Visakhapatnam

17.	Greenlam Industries Limited	HWPW-VC	Phase 2	Tamil Nadu	Tindivanam
18.	Greenland Particle Boards Pvt. Ltd.	PB	Phase 2	Kerala	Ernakulam
19.	Greenpanel Industries Limited	HWPW-VC	Phase 2	Uttarakhand	Rudrapur
20.	Greenpanel Industries Limited	MDF, Thin MDF	Phase 2	Uttarakhand	Rudrapur
21.	Greenpanel Industries Limited	MDF, Thin MDF	Phase 2	Andhra Pradesh	Chittoor
22.	Greenply Industries Limited	HWPW-VC	Phase 2	West Bengal	South 24 Parganas
23.	Greenply Industries Limited	HWPW-VC	Phase 2	Nagaland	Mon
24.	Greenply Industries Ltd.	HWPW-VC	Phase 2	Gujarat	Rajkot
25.	Greenply Sandila Private Limited	HWPW-VC	Phase 2	Uttar Pradesh	Hardoi
26.	Greenply Speciality Panels Pvt. Ltd.	MDF, Thin MDF	Phase 2	Gujarat	Vadodara
27.	Kitply Industries Limited	HWPW-VC	Phase 2	Haryana	Ambala
28.	Kunnathan Wood Products	HWPW-VC	Phase 2	Kerala	Ernakulam
29.	Magnus Plywood Private Limited	HWPW-VC (UF) HWPW-VC (PF)	Phase 2	Punjab	Khanna
30.	Mampilly Plywood Industries	HWPW-VC	Phase 2	Kerala	Ernakulam
31.	Merino Industries Limited	PB	Phase 2	Gujarat	Panchmahal
32.	Metro Decorative Pvt. Ltd.	tMDF & MDF	Phase 2	Himachal Pradesh	Kala Amb
33.	Oswin Wood Panels Pvt. Ltd.	PB	Phase 2	Andhra Pradesh	Chittoor
34.	Pashupati Everest Plywood	HWPW-VC	Phase 2	Uttar Pradesh	Bareilly
35.	Rajdhani Craft Agro LLP	PB	Phase 2	Gujarat	Surendernagar
36.	Rajdhani Crafts & Daughters Pvt. Ltd.	HWPW-CC: Thin MDF Laminated Product, HWPW-CC: MDF Laminated Product	Phase 2	Rajasthan	Jaipur
37.	Rajdhani Crafts Industries Pvt. Ltd.	HWPW-CC: Thin MDF Laminated Product, HWPW-CC: MDF Laminated Product	Phase 2	Rajasthan	Jaipur
38.	Realply Industries Private Limited	HWPW-VC	Phase 2	Haryana	Sonepat
39.	Riangdo Venners Pvt. Ltd.	HWPW-VC	Phase 2	Meghalaya	Ri-Bhoi
40.	Royale Touche Industries Pvt. Ltd.	HWPW-VC	Phase 2	Mehsana Gujarat	Tal-Kadi
41.	Rushil Decor Limited	MDF, Thin MDF	Phase 2	Andhra Pradesh	Visakhapatnam
42.	S.N. Doors (India) Private Limited	MDF, Thin MDF	Phase 2	Uttar Pradesh	Shahjahanpur
43.	Samrat Plywood Limited	HWPW-VC	Phase 2	Punjab	Sas Nagar
44.	Savitri Woods	HWPW-VC (UF) HWPW-VC (PF)	Phase 2	Punjab	Hoshiarpur
45.	Sukhna Plywood Private Limited	HWPW-VC	Phase 2	Uttar Pradesh	Hapur
46.	Tirupati Plywood Industries	HWPW-VC	Phase 2	Rajasthan	Reengus
47.	United Timber Works	HWPW-VC	Phase 2	Haryana	Yamuna nagar

48.	Veneer Factory	HWPW-CC: Thin MDF Laminated Product, HWPW-CC: MDF Laminated Product	Phase 2	Rajasthan	Jodhpur
49.	Vritti Impex Private Limited	HWPW-VC	Phase 2	Maharashtra	Thane

Annexure II**AK APPLE PLY PVT LTD**

Regd. off: Sy. No. 11/5(P), 11/8A(P) Industrial Area, Bankampady,
Mangalore - 575 011.

Blere: Begimst Harbor S, #71, 3rd Cross, Residency Road, near
Federal Bank, Bengaluru, Karnataka - 560025.

info@appleplywoods.com +91 824 2983262

Date: 12.12.2025

To,
Federation of Indian Plywood & Panel Industry (FIPPI)
404, Vikrant Tower 4 Rajendra Palace
New Delhi-110008 Email: fippi@fippi.org.

Dear Sir,

Sub: 100% Birch E0/E1 Grade Plywood Manufactured in Indian with imported core veneer.

We are pleased to share an important milestone in our journey towards delivering high- performance, globally competitive plywood products.

We have recently imported premium birch core and face veneers, and we are delighted to announce that we have successfully commenced the production of full-core composed 100% Birch BWR & BWP- E0/E1 Grade Plywood at our facility.

Birch plywood is globally recognized for its exceptional strength, uniformity, dimensional stability, and superior bonding performance. With our upgraded raw material selection and enhanced manufacturing process, we are now able to offer products that meet stringent domestic and international quality standards.

This achievement reflects our continuous commitment to innovation, quality improvement, and providing our customers with reliable and advanced wood-based solutions.

We look forward to serving you with our enhanced range of products and continuing our promise of excellence.

With Regards

Dr. Prasanth MA

Director
AK Apple Ply Pvt Ltd Contact No: +91 7204746565
Email ID- akappleply6565@gmail.com

BIS Standards Update: Draft Amendments & New Work Item Proposals (NWIPs)

1. The following draft standards have been issued by BIS for amendments:

Standard	Amendment	Status
IS 303: 2024 PLYWOOD FOR GENERAL PURPOSES — SPECIFICATION (Fourth Revision)	AMENDMENT NO. 2	The Draft Amendment No. 2 is finalized and approved for printing.
IS 1659: 2004 – BLOCK BOARDS – SPECIFICATION (Fourth Revision)	AMENDMENT NO. 3	Draft Amendment No. 3 has been finalized and approved for further processing and publication.
IS 4990: 2024 – PLYWOOD FOR CONCRETE SHUTTERING WORKS– SPECIFICATION (Fourth Revision)	DRAFT AMENDMENT NO. 1	Draft amendment is currently under wide circulation on the BIS portal for comments.

2. The following draft standards have been issued by BIS under NEW WORK ITEM PROPOSALS (NWIPs):

Standard	Status
Laminated Floorings – Specification (NWIP)	The updated draft document is currently being uploaded on the BIS portal for wide circulation for eliciting public comments.
Flexible Plywood – Specification (NWIP) Formaldehyde Emission Testing using the Desiccator Method (NWIP)	Drafts shall be sent for wide circulation to stakeholders for comments

DRAFT AMENDMENT NO. 2

To

IS 303: 2024 PLYWOOD FOR GENERAL PURPOSES — SPECIFICATION (Fourth Revision)

The Committee finalized and approved the revised Draft Amendment No. 2 for printing.

(Foreword, fourth and fifth paragraph) — Delete.

[Page 1, clause 4.3, (see also Amendment No.1)] — Substitute the following for the existing:

4.3 In terms of bending class, each grade of plywood shall be further classified in bending classes as follows:

- a) Bending Class 10;
- b) Bending Class 20;
- c) Bending Class 30;
- d) Bending Class 40; and
- e) Bending Class 50

(Page 1, clause 6.1) —

- a) In line 2 — Substitute ‘manufacture’ for ‘manufacturer’.
- b) In line 4 — Substitute ‘such as’ for ‘includes’

(Page 1, clause 6.2.1, line 2 and line 3) — Delete ‘(aminoresins)’

[Page 4, clause 8.2, last paragraph (see also Amendment No.1)] — Delete.

[Page 5, Table 4, col (3), heading (see also Amendment No.1)] — Substitute ‘Bending Class’ for ‘Bending Class (F)’.

[Page 5, clause 11.5, line 3, (see also Amendment No. 1)] — Replace ‘10 percent’ with ‘90 percent’

Revision of Clause 11.6 – Formaldehyde Content Test, specifying the formaldehyde emission classes as:

- Formaldehyde Class E1: < 8 mg/100 g of oven-dry sample
- Formaldehyde Class E2: ≤ 30 mg/100 g of oven-dry sample

(Page 6, clause 12) — Delete.

[Page 6, clause 13.1(d) (see also Amendment No.1)] — Insert the following Note at the end:

‘NOTE — The bending class shall be expressed with respect to minimum average value floored to 10s of MoR or MoE/100. For example, for average value of MoR (along the grain direction of the top veneer) is 34 N/mm², average value of MoR (across the grain direction of the top veneer) is 22 N/mm², average value of MoE (along the grain direction of the top veneer) is 3200 N/mm² and average value of (across the grain direction of the top veneer) is 2100 N/mm², the bending class the plywood shall be Bending Class 20.’

Insertion of a Note under Clause 13.1(d) clarifying the expression of Bending Class with respect to minimum average values floored to tens of MoR or MoE/100, along with the inclusion of an illustrative example for calculation of the Bending Class.

[Page 6, clause 13.1(j) (see also Amendment No.1)] — Delete

(Page 7, clause 14, last sentence) — Delete the sentence ‘For ECO-Mark the material used for packaging of the plywood shall be recyclable, reusable or biodegradable.’

AMENDMENT NO. 3 SEPTEMBER 2025
TO
IS 1659: 2004 – BLOCK BOARDS – SPECIFICATION
(Fourth Revision)

The Committee finalized and approved the revised Draft Amendment No. 3 for further processing and publication.

(Page 1, clause 4.1) — Substitute the following for the existing:

4.1 Block boards shall be of the following three grades:

- MR (moisture resistant) Grade; and
- BWR (boiling water resistant) Grade
- BWP (boiling water proof) Grade;

(Page 1, clause 4.3) — Substitute the existing grades and types of block boards with the following:

Grade and Type	Symbol
MR Grade, Decorative type	MR-DEC
MR Grade, Commercial type	MR-COM
BWR Grade, Decorative type	BWR-DEC
BWR Grade, Commercial type	BWR-COM
BWP Grade, Decorative type	BWP-DEC
BWP Grade, Commercial type	BWP-COM

(Page 1, clause 4.3) — Insert the following new clause 4.4 after 4.3:

4.4 In terms of bending class, each grade and type of block board shall be further classified in bending classes as follows:

- Bending Class 25
- Bending Class 40
- Bending Class 50

(Page 1, clause 4.4) — Insert the following new clause 4.5 after 4.4:

4.5 In terms of formaldehyde class, each grade and type of block board shall be further classified in bending classes as follows:

- Formaldehyde Class E1; and
- Formaldehyde Class E2.’

(Page 1, clause 5.1.1) — Substitute the following for the existing:

5.1.1 Any suitable species of timber and species of wood from other sources than natural forests such as wood from rubber, cashew, industrial and social forestry plantations, and shade trees from tea and coffee estates, may be used for the manufacture of block boards. The list of species given in Annex B is for guidance only.

(Page 1, clause 5.1.2, para 2) — Substitute the following for the existing.

Species of wood from sources other than natural forests such as wood from rubber, cashew industrial and social forestry plantations, etc, and shade trees from tea and coffee estates may also be used.

(Page 1, clause 5.2) — Substitute the following for the existing clause:

5.2 For MR Grade block boards, the adhesives shall be MR type conforming to IS 848. For BWR Grade block boards, the adhesives shall be BWR type conforming to IS 848. The adhesives used for bonding purposes shall be the BWP type conforming to IS 848 for BWP Grade block boards.

(Page 2, clause 6.3, line 2) — Replace 'shall be smooth' with 'shall be sufficiently smooth'

(Page 2, clause 6.3.1) — Delete.

(Page 2, clause 6.3.3) — Substitute the following for the existing:

6.3.3 Permissible defects and tolerances on thickness of cross band and face veneers shall conform to IS 303 and IS 1328 for commercial and decorative veneers, respectively.

(Page 2, clause 7.3) — Replace the existing length and width tolerances with the following:

Dimension	Tolerance
Length	+6 -3 mm
Width	+3 -1 mm

Revision of Clause 7.3 (Dimensions and Tolerances), replacing the existing tolerances with the following:

Variation in thickness on a board: 0.5 mm up to 1.0 mm

(Page 3, clause 9.2.2.2) — Insert the following new clause 9.2.2.3 after 9.2.2.2:

9.2.2.3 Test specimens from BWR grade block boards, shall be submerged in boiling water for 8 h and then tested as specified in Annex G, the test specimens shall comply with the requirements of 9.2.3.

[Page 3, clause 9.2.4, (see also Amendment No. 1)] — Substitute the following for the existing clause:

9.2.4 Mycological Test.

Block board specimens, when tested according to Annex J shall show no visible signs of separation at the edges.'

(Page 3, clause 9.2.5) — Substitute the following for the existing:

9.2.5 Modulus of Rupture and Modulus of Elasticity.

The modulus of rupture and modulus of elasticity when tested according to the method given in Annex K, block boards shall have average values as given in Table 1. Also, no individual value shall be less than 90 percent of the average value specified for the respective bending class.

Table 1: Average Values of Modulus of Elasticity (MoE) and Modulus of Rupture (MoR) (Clause 9.2.5).

Sl. No.	Properties	Bending Class		
		25	40	50
(1)	(3)	(4)	(5)	(6)
i)	Modulus of Elasticity (MoE), N/mm ² , Avg., Min.	2500	4000	5000
ii)	Modulus of Rupture (MoR), N/mm ² , Avg., Min.	25	40	50

'NOTE — The bending class shall be expressed with respect to minimum average value floored to 10s of MoR or MoE/100. For example, for average value of MoR is 34 N/mm², average value and average value of MoE is 4200 N/mm², the bending class the plywood shall be Bending Class 30'. If, minimum average value of MoR and MoE is less than 25/ 2500 N/mm² resp., the value may be floored to 5s for reporting Bending Class).

Insertion of a Note under Table 1 (Average Values of Modulus of Elasticity (MoE) and Modulus of Rupture (MoR)) [Clause

9.2.5], clarifying that the bending class shall be expressed with respect to the minimum average value floored to the nearest tens of MoR or MoE/100.

The Committee agreed to include an illustrative example for calculation of the bending class to provide clarity to users.

[Page 3, clause 9.2.6, line 1 (see also Amendment No. 1 and 2)] — Insert ‘as given in 6.1’ after ‘preservative treatment’

[Page 3, clause 9.2.6, (see also Amendment No. 1 and 2)] — Insert the following new clause 9.2.7 after 9.2.6:

9.2.7 Formaldehyde Content Test

Test of free formaldehyde content in the sample shall be done by perforator method as per IS 13745 and test results of drawn sample shall meet the requirements of formaldehyde content as follows:

- Formaldehyde Class E1: < 8 mg/100 g of oven-dry sample
- Formaldehyde Class E2: ≤ 30 mg/100 g of oven-dry sample

(Page 3, clause 9.2.7) — Insert the following new clause 9.2.8 after 9.2.7:

9.2.8 Steady-State Formaldehyde Emission Test (Optional Test).

Manufacturer will offer a stack of block boards made under a batch (not less than 50 pieces) bearing the batch number and date of manufacture along with details of block board, that is, grade, size and thickness, adhesive used and any other (the manufacture wish to inform). After sampling, the sample shall immediately cover in airtight polythene with date of sampling on the block board.

Sample must be taken for test within 24 h of opening the airtight cover and within one month from the date of sampling, and test shall be done by the test method as given in IS/ISO 12460 (Part 1). The test results of drawn sample shall meet the requirements of formaldehyde emission value as follows:

- a) Formaldehyde Class, $E1 < 0.124 \text{ mg/m}^3$; and
- b) Formaldehyde Class, $E2 > 0.124 \text{ mg/m}^3$.

Page 4, clause 11) — Insert new clause 11.1 under Marking clause and substitute the following for the existing 11.1 clause:

11.1 Each block board shall be legibly and indelibly marked or stamped with the following:

- a) Manufacturer’s name and his initials or his recognized trade-mark, if any;
- b) In words ‘BLOCK BOARD’;
- c) The grade and type (see 4.3);
- d) Bending class (see 4.4) for example, “Bending Class 25”;
- e) Formaldehyde class (see 4.5);
- f) Species of timber;
- g) Mention whether Sapwood/ Non-Durable species used if any;
- h) Nominal length, width and thickness of block board;
- j) Month and year of manufacture; and
- k) Batch No.

(Page 4, clause 11) — Renumber the existing clause ‘11.1’ as ‘11.2’ and ‘11.1.1’ as ‘11.2.1’.

(Page 4, Annex A, IS 303, IS 707, IS 848, and IS 1328) – Substitute the following for the existing:

IS No.	Title
IS 303: 2024	Plywood for general purposes — Specification (fourth revision)
IS 707: 2011	Timber Technology and Utilization of Wood, Bamboo and Cane - Glossary of Terms (third revision)
IS 848: 2025	Synthetic Resin Adhesives for Plywood (Phenolic, Aminoplastic and Bio-Materials Based) — Specification (third revision)
IS 1328: 2025	Veneered Decorative Plywood — Specification (fourth revision)

(Page 9, Annex G, references, see also Amendment No. 1) – Substitute the existing clause references under the Annex heading by the following:

‘(Clauses 9.2.2.1, 9.2.2.2, and 9.2.2.3):’

(Page 9, Annex G, clause G-1.2, see also Amendment No. 1) — Insert the following new clause G-1.3 after G-1.2:

G-1.3 For testing of BWR grade block boards, the test specimens shall be submerged in boiling water for 8 h. The sample shall thereafter be tested as per 9.2.3.

DRAFT AMENDMENT NO. 1

TO

IS 4990: 2024 – PLYWOOD FOR CONCRETE SHUTTERING WORKS– SPECIFICATION

(Fourth Revision)

(Foreword, fifth and sixth paragraph) — Delete.

(Page 2, clause 6.6, line 6) — Replace the sentence ‘with retention of not less than 12 kg/m³’ with ‘and Glue-line preservative treatment for coated plywood (CSC) and film-faced plywood (CSFF), with retention requirements as per 10.11.

(Page 6, clause 10.11) — Substitute the following for the existing:

‘10.11 Plywood shall be treated as per 6.6. The retention requirement for Plywood for concrete shall be classified based on preservative treatment:

Sl. No.	Type of Plywood	Preservative Treatment Category	Preservative Retention (kg/m ³)
(1)	(2)	(3)	(4)
i)	Plywood for concrete shuttering work (plain) (CS)	With preservative treatment Without preservative treatment	0 a) 4 — for service life up to 1 year b) 6 — for service life up to 2 years
ii)	Plywood for concrete shuttering work with polymer coating (coated) (CSC)	With preservative treatment	4
iii)	Plywood for concrete shuttering work suitable with overlay (film faced) (CSFF)	Not applicable	-

Addition of Clause 10.12 (Formaldehyde Content Test), specifying the following:

- Formaldehyde Class E1: < 8 mg/100 g of oven-dry sample; and
- Formaldehyde Class E2: ≤ 30 mg/100 g of oven-dry sample.

(Page 6, clause 11) — Delete

[Page 6, clause 12.1, (j)] — Substitute the following for the existing:

‘Mention whether the plywood is with or without preservative treatment, if treated, specify the preservative chemical used.’

(Page 7, clause 13, last sentence) — Delete the sentence ‘For ECO-Mark the material used for packaging of the plywood shall be recyclable, reusable or biodegradable’ (CED 20).

NEW WORK ITEM PROPOSALS (NWIPs):

8.2 Laminated Floorings – Specification (NWIP)

The Committee noted that the updated draft document is currently being uploaded on the BIS portal for wide circulation for eliciting public comments.

8.3 Flexible Plywood – Specification (NWIP)

The Committee decided that the draft shall be circulated widely to relevant stakeholders for seeking comments under the Wide Circulation stage.

8.4 Formaldehyde Emission Testing using the Desiccator Method (NWIP)

The Committee agreed that the draft shall be sent for wide circulation to stakeholders for comments. The drafts shall be taken up for further review and processing after receipt and examination of the comments received during wide circulation.

BIS Wide Circulation: Draft Standards for Wooden Door Shutters – Public Comments Invited

The following draft standards have been issued for public comments on wide circulation of draft standards under the Doors, Windows and Shutter Sectional Committee, CED 11

Last date for comments: 06 February 2026

The documents are also hosted on BIS website www.bis.gov.in. particularly available in the url <https://standards.bis.gov.in/website/wc-drafts>

Sl. No.	Doc No.	Title
1)	CED 11 (33336) WC	Draft Indian Standard for Wooden Door Shutters (Cellular, Hollow and Tubular Core Type) — Specification [Sixth revision of IS 2191 (Part 1) and Amalgamating IS 2191 (Part 2) : 2022] ICS 91.060.50
2)	CED 11 (33345) WC	Draft Indian Standard for Wooden Door Shutters (Solid Core Type) — Specification [Eighth revision of IS 2202 (Part 1) and Amalgamating IS 2202 (Part 2): 2022] ICS 91.060.50

CED 11 (33336) WC

<https://standards.bis.gov.in/website/wc-drafts-document-details?projectencl=eyJpdil6lm56cWhRMnZRZ09KbGU4RXVGVHdHdGc9PSIsInZhbHVlIjoiaShiUTJhiaXhISGcyRnJ2NmRrNHAvQT09IiwibWFjIjoizjkyZ-TZmY2Q0ZjU3Zjk3OGRmOTVkJyZzZGVhZmRiNGZjZjE5NDE3ZGRkYTU5N2I3NGQ5NDJkMWw0NTQzNTA5MyIsInRhZyI6Ij9>



भारतीय मानक ब्यूरो
BUREAU OF INDIAN STANDARDS

MANAK BHAVAN, 9 BAHADUR SHAH ZAFAR MARG, NEW DELHI 110002

DRAFT IN WIDE CIRCULATION

Our Ref: CED 11/T-8

06/01/2026

TECHNICAL COMMITTEE: DOORS, WINDOWS AND SHUTTER SECTIONAL COMMITTEE, CED 11

ADDRESSED TO:

- a) All Members of Civil Engineering Division Council, CEDC
- b) All Members of Doors, Windows and Shutter Sectional Committee, CED 11 and
- c) All others Interests

Dear Sir(s),

Please find enclosed the following document:

Doc No.	Title
CED 11(33336) WC	Wooden Door Shutters (Cellular, Hollow and Tubular Core Type) — Specification [Sixth revision of IS 2191 (Part 1) and Amalgamating IS 2191 (Part 2) : 2022] ICS 91.060.50

Kindly examine the draft standard and forward your views stating any difficulties which you are likely to experience in your business or profession, if this is finally adopted as National Standard.

Last Date for comments: **06 February 2026**

Comments if any, may please be made in the enclosed format and emailed at pradeepshekhawat@bis.gov.in or sent at the above address. Additionally, comments may be sent online through the BIS e-governance portal, www.manakonline.in.

In case no comments are received or comments received are of editorial nature, you will kindly permit us to presume your approval for the above document as finalized. However, in case of comments of technical in nature are received then it may be finalized either in consultation with the Chairman, Sectional Committee or referred to the Sectional Committee for further necessary action if so desired by the Chairman, Sectional Committee.

The document is also hosted on BIS website www.bis.gov.in.

Thanking you,

CED 11 (33345) WC

<https://standards.bis.gov.in/website/wc-drafts-document-details?projectencId=eyJpdil6ljhSc25ZdkE4b3ZmdkhoMWJjM09ldWc9PSIsInZhbHVlIjoiriUFOODk1aHBHQlo5YjhTOC9GcnRFQT09IiwibWFjIjoiriMjQ0N-2VmYWRIYWQxNmEyNjYzU4ZGMiYmQ4OTM1NmY5NTA4YjNIN2M5YjhiMjE5NjJhZTMxZDRmYzY1ZjcwYyIsInRhZyI6Ij9>



भारतीय मानक ब्यूरो
BUREAU OF INDIAN STANDARDS

MANAK BHAVAN, 9 BAHADUR SHAH ZAFAR MARG, NEW DELHI 110002

DRAFT IN WIDE CIRCULATION

Our Ref: CED 11/T-10

06/01/2026

TECHNICAL COMMITTEE: DOORS, WINDOWS AND SHUTTER SECTIONAL COMMITTEE, CED 11

ADDRESSED TO:

- a) All Members of Civil Engineering Division Council, CEDC
- b) All Members of Doors, Windows and Shutter Sectional Committee, CED 11 and
- c) All others Interests

Dear Sir(s),

Please find enclosed the following document:

Doc No.	Title
CED 11(33345) WC	<i>Draft Indian Standard</i> Wooden Door Shutters (Solid Core Type) — Specification [eighth revision of IS 2202 (Part 1) and Amalgamating IS 2202 (Part 2): 2022] ICS 91.060.50

Kindly examine the draft standard and forward your views stating any difficulties which you are likely to experience in your business or profession, if this is finally adopted as National Standard.

Last Date for comments: **06 February 2026**

Comments if any, may please be made in the enclosed format and emailed at pradeepshekhawat@bis.gov.in or sent at the above address. Additionally, comments may be sent online through the BIS e-governance portal, www.manakonline.in.

In case no comments are received or comments received are of editorial nature, you will kindly permit us to presume your approval for the above document as finalized. However, in case of comments of technical in nature are received then it may be finalized either in consultation with the Chairman, Sectional Committee or referred to the Sectional Committee for further necessary action if so desired by the Chairman, Sectional Committee.

The document is also hosted on BIS website www.bis.gov.in.

Thanking you,

Anti-Dumping Duties on Melamine Imports from China: An Analysis



Vasudha Singh
Advocate
Supreme Court of India

Introduction

Anti-dumping measures are a recognised trade remedy under the World Trade Organization (WTO) framework and domestic trade laws. Their purpose is to offset injury caused to domestic industry by unfair pricing practices of foreign exporters. Under the WTO Anti-Dumping Agreement (ADA) and India's Customs Tariff Act, 1975, anti-dumping duties are not intended to result in a blanket prohibition of imports, but only to neutralise the negative effects of dumping and restore fair competition. Article 1 and Article 9.1 of the WTO ADA clearly establish that duties must be limited to what is necessary to counteract dumping. This article examines the continued imposition of anti-dumping duties on melamine imports from China by the Directorate General of Trade Remedies (DGTR), or Designated Authority, and argues that in the absence of demonstrable injury to the domestic industry player, Gujarat State Fertilizers and Chemicals Limited (GSFC), this prolonged imposition is unwarranted and unfairly burdens downstream industries and eventually, the consumer.

Melamine is a critical raw material used in laminates, plywood, furniture, construction materials, and several consumer goods. GSFC is the sole producer of melamine in India. Significantly, GSFC also imports melamine. The various anti-dumping investigations into melamine imports have been initiated at the behest of GSFC. An examination of GSFC's melamine production would reveal that GSFC's

financial condition post imposition of duty was "stable and healthy." More precisely, GSFC's profit index moved from a baseline of 100 in 2013-14 to 539 in 2015-16. This represents a more than five-fold increase in profit margins.

Statutory Framework and Legal Proceedings

Under Section 9A of the Customs Tariff Act 1975, anti-dumping duty may be imposed when an article is exported to India at a price less than its "normal value." The margin of duty cannot exceed the margin of dumping—the difference between normal value and export price. Rule 4 of the Anti-Dumping Rules 1995 (ADR 1995) states that the Designated Authority must investigate the existence of dumping, determine normal value and export price, assess injury, and recommend the quantum of duty. Rule 5 restricts initiation of investigations to cases where an application is made by the "domestic industry", defined in Rule 2(b). To establish dumping, the Designated Authority must first determine the normal value of melamine in the exporting country. For non-market economies like China, this is difficult. Chinese manufacturers do not voluntarily disclose domestic pricing. The rules recognise this and prescribe fallback mechanisms: use prices in comparable third markets, and if that is not possible, construct a value based on cost of production plus reasonable profit in the importing country. While Rule 7 of the ADR 1995 states that information provided to the designated authority on a confidential basis may be kept confidential, Rule 16 specifically requires that before final findings are issued, "essential facts" under consideration must be communicated to interested parties.

In the present case, the Designated Authority obtained normal value data (taking India as the basis, not a third country as mandated) from GSFC itself, the party with a direct interest in ensuring the antidumping duty is imposed. Once received, this data was marked confidential and never disclosed to the importers being investigated or even to the court conducting judicial review. When the same was challenged in Hon'ble Guwahati High Court in *Century Plyboards I Ltd. & Anr. v Union of India & Ors.*¹, the Ld. Single Judge in his detailed judgment dated 26.08.2019 held that,

"125. In the instant case, accordingly, as the normal value, export price, margin of dumping and the non-injurious price as determined by the Designated Authority which formed the basis for the decision to impose the ADD and determine the rates thereof, was not informed to the petitioners prior to the opportunity of hearing being given, we are of the view that in the instant case, the principles of natural justice had been violated."

¹Writ Petition (C) No. 6568/2017

The Hon'ble Supreme Court has addressed similar situations in *Union of India v. Meghmani Organics Ltd.*², holding that,

"Rule 7 does not empower the DA to claim any confidentiality in respect of reasons for its finding given against a party." (...) "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."

"Domestic Industry" Categorisation and Injury Caused to Complainant

Regarding the status of GSFC as a "domestic industry" despite its imports of melamine, the GSFC's justification was that in order to meet the shortfall in its production so as to satisfy the demand of its customers, import of some amount of melamine at times is being done from time to time. The Ld. Single Judge followed the law laid down by the Hon'ble High Court of Madras in *Nirma Ltd. v Saint Gobain Glass India Ltd.*³ and held that Rule 2(b) provides discretion to the Designated Authority to include a domestic producer indulging in imports as a domestic industry. It was emphasised that the discretion should neither lead to arbitrariness nor violate the provisions of Article 14 of the Constitution of India.

In Review Petition No. 09/2020 filed by Century Plywood against the judgment in *Century Plyboards I Ltd.*⁴, the Ld. Single Judge held in judgment dated 06.04.2022 that such a discretion upon the authorities to include the producers related to the exporters or importers of the dumped article or the importers themselves in the concept of 'domestic industry' did exist. However, such discretion may not be an absolute discretion but would be a circumstantial discretion to be determined on case-by-case basis.

If GSFC, the sole complaining party, does not qualify as a "domestic industry", the entire foundational legitimacy of the investigation crumbles. An importer who can access melamine at competitive prices from global markets demonstrates no comparative disadvantage. It has not been victimised by dumping, but has simply chosen to source where prices were attractive. Imposition of anti-dumping duty on other importers is then not protecting genuine domestic competitors from unfair trade, but conferring monopolistic advantage to a party that itself engages in imports.

Moreover, what GSFC's audit statements reveal is not the financial trajectory of an injured domestic producer recovering from harmful dumping. It is the trajectory of a protected monopoly extracting supernormal returns from captive consumers. Section 9A(5) of the Customs Tariff Act,

²(2016) 10 SCC 28

³2012 SCC Online Mad 1751

⁴Supra note 1

1975 mandates that anti-dumping duty shall remain in force only "to the extent necessary to counteract dumping and injury," and Article 11.1 of the WTO ADA requires that duties be maintained only "so long as and to the extent necessary to counteract dumping which is causing injury." Clearly, the apparent injury caused as not been merely remedied but overcompensated. This raises a fundamental question: if GSFC is profitable and thriving, on what legal or factual basis can the duty be further imposed?

Recent Events

In August 2021, the Designated Authority completed its third sunset review and recommended continued imposition of anti-dumping duty on melamine from China PR. The recommendation was ostensibly based on findings of continuing dumping and injury. However, the Central Government rejected this recommendation. The decision provided respite to downstream industries—plywood and board manufacturers—that depend on affordable melamine imports. Yet in September 2025, barely four years after this government rejection, GSFC filed a fresh application for anti-dumping investigation. The Designated Authority, by notification dated 29 September 2025 (Case No. AD (OI) 35/2025), has initiated a new investigation covering imports from China PR for the period April 2024 to March 2025, with injury examination from April 2021 onwards.

This raises several serious concerns. The initiation notification asserts that GSFC "has not imported the subject goods nor related to any exporters from the subject country or importers in India." Yet, the entire history demonstrates GSFC's willingness to import when prices suit it. The notification nowhere addresses GSFC's import history in the 2021-2025 period from countries other than the subject country. The 2025 initiation notification states that the injury examination covers April 2021 to March 2025. This means GSFC is claiming injury throughout the entire period following the 2021 government rejection, rendering the rejection purposeless.

Conclusion

When a party with a direct financial interest in suppressing imports—because it imports itself—can petition for and obtain protection against those very imports, the system has ceased to protect competition. The melamine case is not unique. It exemplifies a systemic problem: the anti-dumping machinery, designed to counter unfair trade, has been turned into a tool for conferring competitive advantage to a single favoured producer. Until reforms are implemented, downstream industries and consumers will continue to bear the cost. Material findings must be disclosed, discretion must be bounded, and duties must terminate when injury dissipates. Until these principles are rigorously applied, the anti-dumping system will continue to serve private interests rather than the public purpose it is meant to serve. □

When Trade Remedies Meet Capacity Constraints

Understanding the Melamine Anti-Dumping Case and Its Downstream Impact

Rishabh Gandhi, Economic Officer, Federation of Indian Plywood & Panel Industry (FIPPI)

1. Introduction: Why the Melamine Case Deserves Closer Examination

1.1 Background of the Present Anti-Dumping Investigation

The Directorate General of Trade Remedies (DGTR), vide Notification No. 6/40/2025-DGTR dated 29th September 2025, has initiated an anti-dumping investigation concerning imports of melamine (HSN Code 29336100) originating from China, following an application filed by the domestic producer. The investigation has been initiated under the provisions of the Customs Tariff Act, 1975 and the applicable Anti-Dumping Rules. The purpose of the investigation is to examine whether the subject good is being dumped into the Indian market and whether such imports have caused material injury to the domestic industry.

An anti-dumping duty (ADD) is a trade remedy instrument, permitted by the WTO (World Trade Organization) to be used by countries to address instances of unfair trade practices. It is a protective tariff placed on imported goods being dumped to prevent the harm to domestic industries, making importing goods more expensive to make the competitive level playing field. Dumping refers to the act of selling a product in a foreign market at a price lower than its 'normal value,' which is typically the price of the same product in the exporter's domestic market.

It is important to highlight that the present investigation is not the first instance of trade remedy action involving melamine in India. The product has been subject to anti-dumping measures on multiple occasions over the past two decades. While the legal process and procedural framework of the present investigation follow established practice, the structure of the melamine market and the nature of its downstream usage warrant closer examination.

1.2 Melamine as a Core Input to India's Downstream Manufacturing Base

Melamine occupies a distinctive position in India's manufacturing ecosystem because it is not a finished product, but a core intermediate input that enables performance, durability and value addition across multiple downstream industries. Its usage is broad and multi-sectoral, with the most significant application in the wood-based manufacturing sector. Melamine is extensively used in the production of decorative laminates, plywood, MDF and particle board, where it plays a critical role in imparting strength, surface hardness and moisture resistance.

Beyond wood-based panels, melamine is also used across a range of other manufacturing segments, including

coatings, thermoset plastics, kitchenware, electrical applications and flame-retardant textiles. This wide spectrum of applications underscores the fact that melamine demand in India is not confined to a single industry but spread across diverse manufacturing value chains.

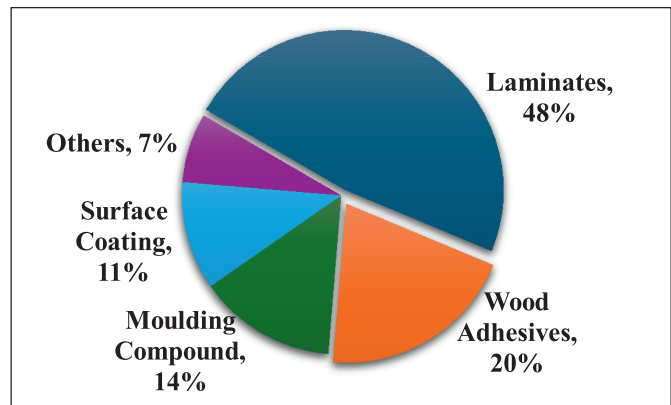


Figure 1: Application-wise Distribution of Melamine Consumption.

The application-wise distribution of melamine consumption further illustrates this diversity. Decorative laminates account for the largest share of consumption, followed by wood adhesives and moulding compounds, while surface coatings and other industrial applications together also constitute a meaningful share. This distribution highlights the embedded role of melamine across multiple downstream segments with differing cost sensitivities.

*For downstream industries dependent on melamine, it is **not a discretionary raw material but a technical necessity**, directly affecting product quality, compliance with standards and market acceptance.*

1.3 Why This Case Warrants Closer Examination

While anti-dumping investigations are a routine instrument of trade policy, the present case warrants closer examination due to the structural characteristics of the Indian melamine market. Unlike conventional cases where domestic production is diversified and imports play a supplementary role, melamine in India is produced by a single domestic manufacturer and serves as a critical input for a wide range of downstream industries.

At the same time, domestic production capacity has historically remained insufficient to meet downstream demand, particularly when viewed against the scale and diversity of melamine usage across laminates, plywood, MDF, particle board and other manufacturing segments discussed earlier. As a result, imports have functioned as a structural balancing mechanism, rather than as a marginal or discretionary source of supply.

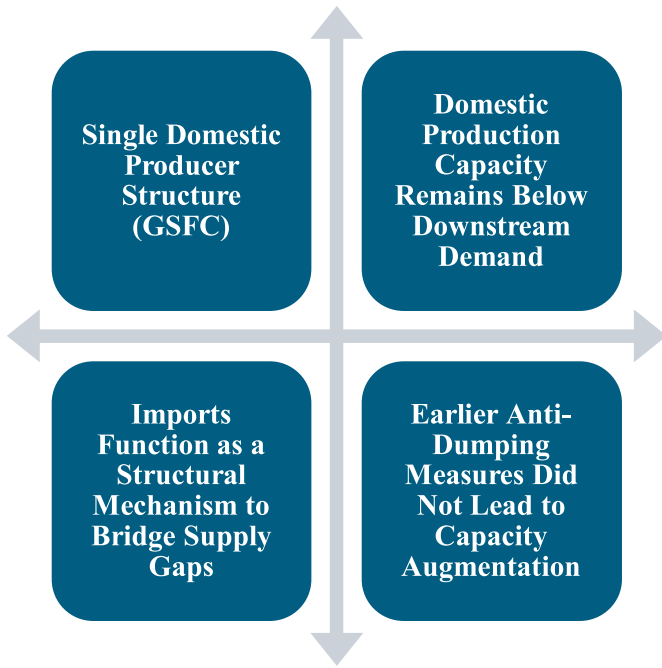


Figure 2: Structural Characteristics of India's Melamine Market.

In such a market structure, the implications of trade remedial measures extend well beyond the interests of the upstream producer. Any restriction on imports – including through the imposition of anti-dumping duties (ADD) – is transmitted directly into downstream cost structures, affecting the competitiveness of domestically manufactured products across multiple user industries, particularly micro, small and medium enterprises.

When domestic capacity constraints persist despite the imposition of anti-dumping protection over extended periods, it raises **fundamental questions about the justification for extending further protection to a monopolistic producer at the cost of competitiveness across multiple downstream industries.**

2. Domestic Production, Imports and Trade Remedies in India's Melamine Market

2.1 Anti-Dumping Measures on Melamine: Timeline and Policy Context

Anti-dumping duties on melamine imports from China have formed a recurring element of India's trade policy framework since 2004. Over the years, imports of melamine from China have been subject to multiple anti-dumping investigations and successive sunset reviews by the DGTR, resulting in the continuation of anti-dumping measures – beginning with provisional duties and followed by definitive duties – for extended periods.

A sunset review is a periodic examination undertaken before the expiry of an existing anti-dumping duty to assess whether its withdrawal would be likely to lead to continuation or recurrence of dumping and injury, and whether the duty should therefore be continued beyond its initial five-year term.

This extended history establishes both the policy context and the time horizon within which developments in domestic production capacity and import trends in India's melamine market are examined.

*Anti-dumping measures on melamine imports from China remained in force for **nearly 17 years, from April 2004 (provisional duty) until September 2021.***

The timeline emphasizes a critical institutional development in 2021. The Directorate General of Trade Remedies (DGTR), based on its investigation, recommended continuation of the anti-dumping duty on melamine imports from China, vide Notification No. 7/32/2020-DGTR dated 23rd August 2021. However, the Ministry of Finance did not accept the recommendation and took a final decision not to impose the duty beyond 30th September 2021, vide Notification No. CBIC-190354/191/2021-TRU

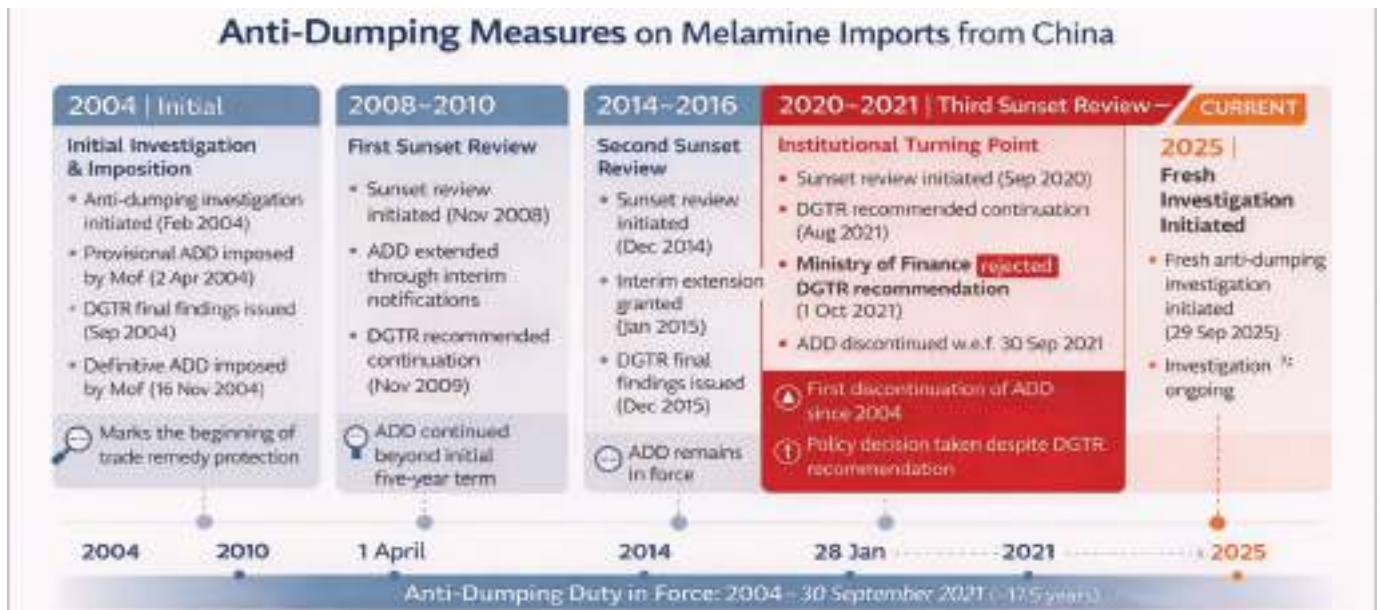


Figure 3: Timeline of Anti-Dumping Measures on Melamine Imports from China (2004 – 2025).

dated 1st October 2021. Although the specific grounds for this decision were not explicitly articulated, such determinations necessarily involve a broader assessment of overall economic interest. Anti-dumping duties on intermediate inputs such as melamine directly translate into higher costs for downstream user industries, placing a disproportionate burden on domestic manufacturers and affecting the competitiveness of Indian products vis-à-vis imports. The 2021 decision therefore assumes significance in the context of balancing upstream protection with downstream industrial competitiveness.

2.2 Domestic Production, Capacity and Import Dependence

India’s domestic production of melamine is concentrated with a single manufacturer, Gujarat State Fertilizers & Chemicals Limited (GSFC), which operates the only melamine manufacturing facility in the country. This has resulted in a single-producer market structure for melamine in India. Despite a significant increase in domestic demand over the years and the presence of protective anti-dumping measures for nearly 17 years between 2004 and 2021, growth in GSFC’s melamine production and capacity expansion has remained gradual. The trends in domestic production and imports over the period under review are illustrated below:

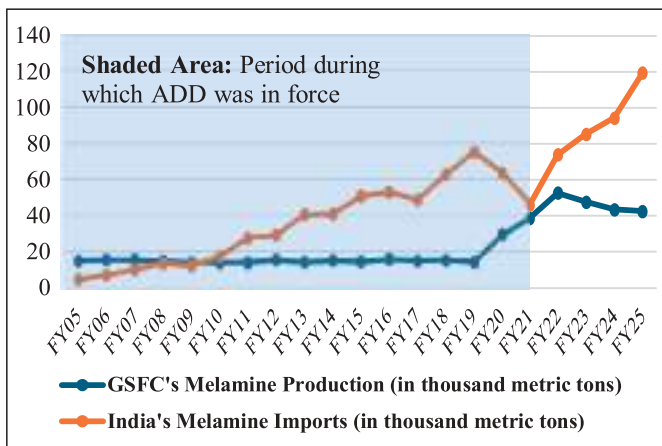


Figure 4: Comparative Trends in Domestic Melamine Production and Imports (FY05–FY25).

The production–import trends illustrated above reveal a clear divergence over time. During the period when anti-dumping measures were in place for nearly 17 years, GSFC’s domestic melamine production expanded at a compound annual growth rate (CAGR) of around 6%, while India’s imports of melamine increased at a significantly higher CAGR of approximately 14%. This differential growth trajectory is reflected in the widening gap between domestic output and imports, indicating that incremental increases in domestic production were insufficient to keep pace with the expansion in demand. Consequently, imports increasingly assumed the role of a structural source of supply rather than a marginal or supplementary one.

2.3 Import Trends and Pricing Dynamics

Beyond domestic production and import trends, the present investigation also needs to be viewed in the context of international pricing behaviour and the trade policy responses adopted by other major melamine-importing countries. Since anti-dumping measures are premised on allegations of price discrimination and material injury, a comparison of China’s export prices across major importing markets, along with an overview of where trade remedies are currently in force, provides useful global context for assessing the present case.

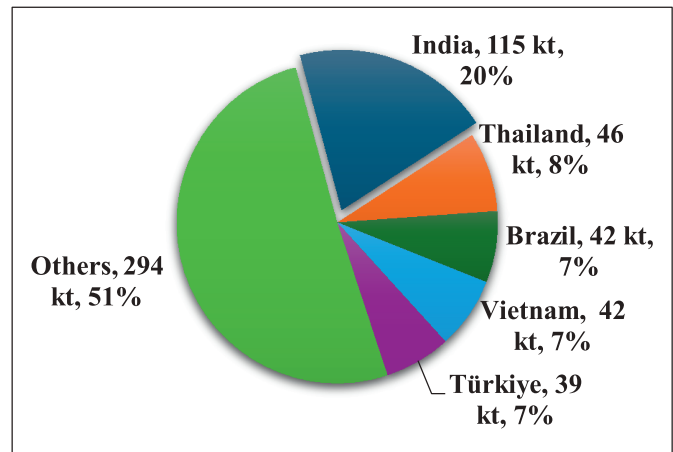


Figure 5: Major Destinations of China's Melamine Exports by Volume, 2024 (in thousand metric tons).

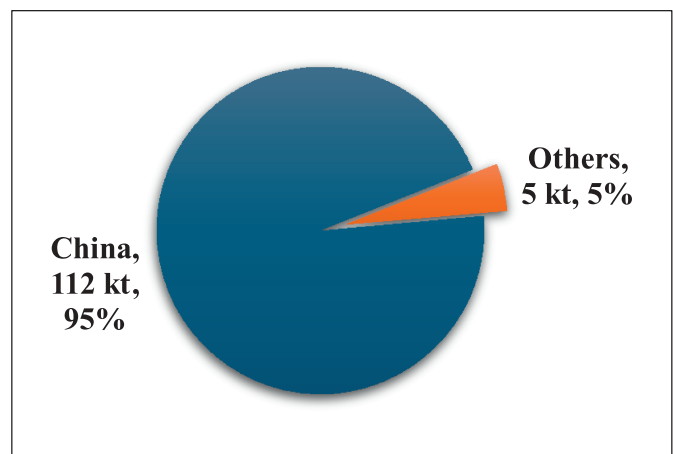


Figure 6: Major Sourcing Nations for India's Melamine Imports by Volume, 2024 (in thousand metric tons).

The distribution of destination markets for China’s melamine exports is significantly more diversified when compared with the sourcing pattern of India’s melamine imports. In 2024 alone, China exported melamine to 74 different countries, with India emerging as the single largest destination, accounting for around 20 per cent of total export volumes. Taken together, the five largest importing markets – India, Thailand, Brazil, Vietnam and Türkiye – account for roughly half of China’s global melamine exports, reflecting a broad and diversified export base.

This asymmetry provides important context for assessing export pricing behaviour. China’s melamine exports are spread across a wide range of destination markets, with no

single country dominating its overall export profile. While India constitutes the largest individual market, it represents only one among several significant destinations for Chinese melamine. The breadth of China’s export markets suggests that India does not occupy a uniquely dominant or singular position in China’s global melamine export strategy.

In this context, examining the unit prices at which China exported melamine to other major importing countries helps assess whether export prices to India differ materially from those prevailing in comparable markets. Such a comparison provides relevant context for evaluating allegations that melamine exports to India were priced significantly lower than exports to other destinations. The following table presents a broad comparison of China’s melamine export unit prices (in US\$/metric ton) across selected major importing countries in 2024:

Table 1: Comparison of China’s Melamine Export Unit Prices Across Major Importing Countries, 2024.

Rank (by Quantity)	Importing Country	Exported Quantity from China (in thousand metric tons)	China’s Export Unit Price (US\$/MT)
1	India	115	848
2	Thailand	46	844
3	Brazil	42	831
4	Vietnam	42	845
5	Türkiye	39	862
6	Belgium	27	1,112
7	Indonesia	27	840
8	South Korea	26	868
9	Malaysia	23	838
10	Australia	23	845

The table indicates that China exported approximately 115 thousand metric tons of melamine to India in 2024 at an average unit price of US\$ 848 per metric ton. A comparison with China’s export unit prices to other major importing countries shows that melamine was supplied to several large-volume markets at comparable or lower prices. In 2024, China’s export unit prices to countries such as Thailand (US\$ 844/MT), Brazil (US\$ 831/MT), Vietnam (US\$ 845/MT), Indonesia (US\$ 840/MT), Malaysia (US\$ 838/MT) and Australia (US\$ 845/MT) were all at or below the price observed for India.

This cross-market comparison suggests that China’s export pricing of melamine to India broadly aligns with pricing observed in other major destination markets. Viewed in a multi-country context, India’s import price does not appear to be materially lower than prices prevailing across comparable importing nations.

A review of anti-dumping measures adopted by other major importing countries provides useful international context for the present investigation. Looking at where such measures are currently in place helps understand how melamine imports from China have been treated by countries facing similar import conditions. The following table lists selected countries where anti-dumping measures on melamine imports from China are currently in force:

Table 2: Where Anti-Dumping Measures on Chinese Melamine Are Currently in Force.

Importing Country/ Region	Anti-Dumping Duty on Melamine from China	Status / Period
India	No	Duty discontinued on 30th Sep 2021
European Union	Yes	In force since 13th May 2011
USA	Yes	In force since 28th Dec 2015
Russia	Yes	In force since 8th May 2022
Kazakhstan	Yes	In force since 8th May 2022
Kyrgyzstan	Yes	In force since 8th May 2022
Armenia	Yes	In force since 8th May 2022

The table above indicates that, with the exception of Belgium (as part of the European Union), none of the major importing countries shown have imposed anti-dumping measures on melamine imports from China. This suggests that in markets where domestic production is insufficient to meet demand, melamine imports are not necessarily viewed as injurious to domestic producers, but rather as a structural balancing mechanism to support industrial consumption.

In the context of wood-based manufacturing, it is noteworthy that several of these countries – such as Indonesia, Vietnam, Brazil, Malaysia and Russia – have emerged as leading global exporters of plywood and panel products.

*It is noteworthy that in several other major importing countries, the absence of anti-dumping duties on melamine – a critical input for plywood and panel products – has coincided with the ability of their plywood and panel industries to **remain cost-competitive and emerge as leading exporters in global markets.***

2.4 Normal Value Determination: Issues Requiring Careful Examination

A central element of any anti-dumping investigation is the determination of the normal value of the product in the exporting country, against which export prices are compared. In the present case, available trade data indicates that China’s exports of melamine to several major importing countries – such as Thailand, Brazil, Vietnam, Indonesia and

Malaysia – were undertaken at prices comparable to, and in certain instances lower than, those observed for exports to India. Export prices prevailing across multiple third-country markets therefore carry strong persuasive relevance in assessing normal value in the country of export, irrespective of China’s non-market economy (NME) status.

Under the applicable legal framework, the DGTR is also required to identify an appropriate analogue or surrogate country to establish a comparable market economy and to analyse its normal value in order to justify rejection of observable pricing data prior to initiating an investigation. In the present case, the Russia has been treated as the surrogate country for the purpose of analysing and determining normal value. It is further noted that anti-dumping duties are intended to counteract dumping only to the extent that it causes injury to the domestic industry. Unless a true and fair non-injurious price is established and injury is demonstrably linked to dumping, dumping per se is not actionable.

3. Implications for India’s Plywood and Panel Industry

3.1 Demand–Supply Reality of Melamine in the Plywood and Panel Sector

The implications of any trade remedial measure on melamine must be assessed in light of the actual demand–supply structure of its downstream user industries. Among these, the plywood and panel sector represents one of the largest consumers of melamine in India, where the chemical is an essential input for resins used in moisture-resistant plywood, MDF, particle board and surface lamination applications.

Based on industry estimates, the plywood and panel sector alone requires approximately 70 thousand metric tons of melamine annually, as shown below:

Table 3: Segment-wise Melamine Consumption in Plywood & Panel Sector (in thousand metric tons).

Segment	Estimated Annual Melamine Consumption
MR (Moisture-Resistant) Plywood	13
Non-MR Grade Plywood	20
Exterior / Semi-Exterior Grade MDF	33
Lamination of MDF & Particle Board with Melamine Decorative Papers	3.6
Total	70

This level of consumption is nearly one-and-a-half times the annual production of the sole domestic producer, underscoring a fundamental structural gap between domestic availability and downstream demand. In practical terms, the plywood and panel industry has no viable option but to rely on imports to meet its raw material requirements.

Even with incremental improvements in domestic production, current capacity remains insufficient to support the scale and diversity of downstream manufacturing activity.

Moreover, melamine demand is not confined to the plywood and panel sector alone. Additional consumption from adhesives, coatings, thermoset plastics, kitchenware, electrical applications and flame-retardant textiles further widens the gap between domestic production and total demand. In such a market structure, imports serve as a structural balancing mechanism, enabling downstream industries to function and expand, rather than displacing domestic production.

3.2 Quality Control Orders (QCOs) and the Need for Policy Coherence

The policy context for the plywood and panel industry has evolved significantly with the enforcement of Quality Control Orders (QCOs) on plywood and panel products in February 2025. These QCOs mandate compliance with enhanced quality and performance standards, requiring manufacturers to improve product durability, moisture resistance and overall structural integrity. Meeting these standards inevitably increases the industry’s reliance on high-quality resins, thereby raising the demand for critical inputs such as melamine.

The industry has already conveyed to government authorities its readiness to comply with the QCO requirements and to absorb reasonable increases in input costs arising from higher quality benchmarks. However, the imposition of anti-dumping duties on melamine at this juncture would introduce an additional layer of cost pressure on an industry that is already adjusting to stricter regulatory standards. Given that melamine is a non-substitutable input in plywood and panel manufacturing, any increase in its cost is transmitted directly into production costs, leaving manufacturers with limited scope to absorb or offset the impact.

Ensuring coherence between quality-driven regulations and trade policy measures is essential to avoid weakening downstream value addition, employment generation, and the broader manufacturing ecosystem that QCOs are intended to strengthen.

Sources:

- Directorate General of Trade Remedies (DGTR) notifications and findings
- Ministry of Finance notifications (CBIC / TRU)
- DGCI&S, Ministry of Commerce (HSN Code 29336100)
- ITC Trade Map
- Gujarat State Fertilizers & Chemicals Limited (GSFC) Annual Reports
- WTO Trade Remedies Data Portal
- Chem Analyst estimates on application-wise melamine consumption. □

Safeguarding Downstream Consumer Industries & Ensuring Market Forces Operate Freely: FIPPI Requests Withdrawal of Notice Initiating Anti-Dumping Investigation on Melamine Imports from China



FEDERATION OF INDIAN PLYWOOD & PANEL INDUSTRY

REGISTERED UNDER THE SOCIETIES REGISTRATION ACT XXI OF 1860, REGN. NO. S/2985/1968-69 DT. 4.1.1969

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FIPPI/ADD1/Melamine/2025-26

November 3, 2025

To,
Shri Rajesh Agrawal, IAS
Secretary, Department of Commerce
Ministry of Commerce and Industry
Vanijya Bhawan, New Delhi.

Subject: Representation Regarding DGTR-Initiated Anti-Dumping Measures on Melamine Imports from China.

Reference: Initiation of anti-dumping investigation concerning imports of Melamine from China PR by DGTR dated 29th September 2025.

Respected Sir,

At the outset, we take this opportunity to introduce the Federation of Indian Plywood and Panel Industry (FIPPI) — the apex body representing manufacturers and regional associations engaged in the production of plywood, medium-density fibreboard (MDF), and particle board across India. FIPPI is committed to advancing the interests of the wood-based manufacturing sector and serves as the principal voice of the industry in policy formulation and regulatory deliberations.

We wish to refer to the developments concerning the imposition of anti-dumping duty on melamine (HSN Code 29336100). The duty was first imposed in 2004 pursuant to the decision of the Ministry of Finance (Ref. No. 354/28/2004-TRU dated 2nd April 2004), which led to the imposition of anti-dumping duty on melamine originating in, and exported from, China to India with effect from 16th November 2004. From 2004 to 2021, the anti-dumping duty on melamine from China was maintained after two sunset reviews conducted by India.

Further, amid the persistent efforts of user industries including FIPPI to advocate for discontinuation of anti-dumping duty on the following grounds:

- Gujarat State Fertilizers and Chemicals (GSFC), being the sole producer of melamine in India, exercises monopolistic control, and its production capacity is significantly below the domestic demand
- The construction of normal value of the product in the exporting country was arbitrary and without following the due process of the law even though, the source country's (China) exports to several other major countries such as Thailand, Brazil, Vietnam, Indonesia, and Malaysia were at even lower prices than those observed for exports to India. Kindly note, the third country export prices have a strong persuasive force to treat the same as normal value in the country of export, if however, such price is in the ordinary course of trade regardless of whether China is a NME or not.
- DGTR, under the law, is also obliged to have identified an analogue country or a surrogate country to establish a comparable market economy and analysed its normal value to justify rejection of normal value apparent on data

before initiating the investigation. It may kindly be noted that Russian Federation was treated as surrogate country for analysing and determining the normal value.

- d. It should be noted that an anti-dumping can only be imposed to counteract the dumping that is injuring the domestic industry. Unless the true and fair Non-injurious price is disclosed and proved, the dumping per se is not actionable.
- e. The commodity is an input for adhesive in plywood and panel industry, and an imposition of anti-dumping duty directly puts the disproportionate burden on downstream consumer industries using such input, making the Indian products costlier compared to imported products

As a result, the Ministry of Finance finally decided to discontinue the anti-dumping duty on melamine imports from China (Ref. No. CBIC-190354/191/2021-TRU Section-CBEC dated 1st October 2021 – **Annexure 1**).

The DGTR has once again initiated an anti-dumping investigation concerning imports of melamine from China (Ref. No. 6/40/2025-DGTR dated 29th September 2025 – **Annexure 2**) upon an application submitted by GSFC even though there is no change in the scenario with respect to demand and supply of melamine and the pricing of the product: GSFC continues to be the single producer of melamine in India and China continues to be the largest exporter.

A. Same Scenario

It is important to highlight that despite the imposition of anti-dumping duty on melamine from China for nearly 17 years, from 2004 to 2021, GSFC's annual melamine production has not shown a satisfactory increase. GSFC's annual production has averaged merely 17 thousand metric tons, rising at a modest compound annual growth rate of 6%—from approximately 15 thousand metric tons in 2004–05 to around 39 thousand metric tons in 2021–22.

1.0 Demand and Supply Scenario

Table 1: Overview of Melamine Supply and Demand in India (in thousand metric tons).

Year	GSFC Melamine Production	India's Imports of Melamine	India's Imports of Melamine from China	India's Exports of Melamine
2021-22	53	74	66	8
2022-23	48	85	74	17
2023-24	44	94	91	15
2024-25	42	120	119	12

The domestic melamine industry in India comprises only a single manufacturer, GSFC, whose production capacity is far below the nation's overall requirement. In the financial year 2024–25, GSFC's melamine production stood at merely 42 thousand metric tons, while imports reached 120 thousand metric tons, clearly demonstrating that domestic production alone cannot meet national demand. Melamine is used across multiple sectors due to its unique properties. It is primarily employed in laminates, plywood, MDF, and particle board, forming the backbone of India's wood-based manufacturing sector. In addition, it finds applications in adhesives, coatings, thermoset plastics, kitchenware, electrical appliances, and flame-retardant textiles.

Table 2: Segment-wise Melamine Consumption in Plywood and Panel Sector (in thousand metric tons).

Segment	Estimated Annual Melamine Consumption
MR (Moisture-Resistant) Plywood	13
Non-MR Grade Plywood	20
Exterior / Semi-Exterior Grade MDF	33
Lamination of MDF & Particle Board with Melamine Decorative Papers	3.6
Total	70

The plywood and panel industry alone requires approximately 70 thousand metric tons of melamine annually, which is nearly 1.5 times GSFC's annual production, underscoring that the industry has no option but to rely on imports to meet its requirements. Moreover, additional demand for melamine from other sectors—including adhesives, coatings, thermoset plastics, kitchenware, electrical appliances, and flame-retardant textiles—further highlights the gap between domestic production and total domestic demand.

2.0 International Pricing

India imported approximately 78 thousand metric tons of melamine in the calendar year of 2023 at the unit price of US \$949 per ton compared to world average of US \$986 per ton, from China and continued to import 115 thousand metric tons in the calendar year of 2024 at the unit price of US \$848 per ton compared to world average of US \$885 per ton. Even other key countries imported comparable quantities of melamine from China at lower unit prices —Thailand (US \$844 per ton in 2024), Brazil (US \$831 per ton in 2024), Vietnam (US \$845 per ton in 2024), Indonesia (US \$840 per ton in 2024), and Malaysia (US \$838 per ton in 2024). This clearly indicates that China has not engaged in dumping of melamine specifically targeting India at lower price than the export prices of other countries.

Table 3: Importing-Country wise Data of Melamine Exports from China (Exported Quantities and Exported Unit Price for 2023 and 2024).				
Country	Exported Quantity (in tons), 2023	Exported Unit Value (US Dollar per ton), 2023	Exported Quantity (in tons), 2024	Exported Unit Value (US Dollar per ton), 2024
World	4,76,453	986	5,77,815	885
India	77,843	949	1,15,375	848
Thailand	40,056	919	46,327	844
Brazil	38,406	931	41,732	831
Viet Nam	31,679	949	41,591	845
Türkiye	47,490	941	38,635	862
Belgium	14,440	1,296	26,620	1,112
Indonesia	20,541	946	26,530	840
Korea, Republic of	22,807	966	25,923	868
Malaysia	23,117	927	23,356	838
Australia	23,212	938	23,110	845
Poland	11,997	1,236	16,952	1,059
Italy	7,390	1,302	13,882	949
Germany	9,656	1,252	12,760	1,072
United Kingdom	9,091	1,012	12,723	871
Japan	9,633	1,001	10,057	924
Norway	6,600	1,099	9,696	982
Taipei, Chinese	8,657	1,002	8,887	904
Pakistan	8,774	961	8,847	861
Netherlands	7,260	1,055	8,842	924
Egypt	4,859	977	8,523	858
Spain	4,240	1,267	5,046	1,059
Saudi Arabia	2,903	989	4,301	899
Canada	4,485	942	4,048	879
Bangladesh	1,964	954	3,435	865
Colombia	3,217	1,043	3,134	908
Cambodia	1,359	996	3,029	861
New Zealand	2,172	936	2,874	852
Uzbekistan	3,457	909	2,636	824

Portugal	800	1,210	2,460	1,057
Argentina	3,606	959	2,408	873
Romania	1,900	1,284	2,400	1,040
Switzerland	1,600	901	2,400	838
Myanmar	3,824	892	2,201	814
Ecuador	1,362	913	2,065	837
Chile	614	958	1,951	877
Mexico	1,679	965	1,882	893
Ireland	700	1,177	1,660	1,046
Kenya	919	1,002	1,349	890
Nigeria	732	455	1,165	568
South Africa	286	1,098	863	815
Sri Lanka	729	988	769	906
Russian Federation	2,624	927	629	917
United Arab Emirates	1,283	983	576	957
Gabon	506	958	451	863
Uganda	281	993	385	977
Singapore	930	897	348	902
Peru	368	986	338	867
Ukraine	180	1,117	328	921
Finland	320	1,234	320	878
Djibouti	525	895	279	832
Tanzania, United Republic of	239	1,113	279	982
Syrian Arab Republic	255	918	220	900
Slovenia	662	1,255	214	1,229
Morocco	80	950	152	875
Ethiopia	92	696	130	862
Nepal	92	1,076	125	912
Algeria	290	1,031	120	1,075
Angola	98	898	78	859
Hong Kong, China	70	957	60	867
Philippines	33	1,485	48	1,167
Guatemala	24	875	46	957

The above grounds clearly indicate that there is no prima facie basis for initiating such an anti-dumping investigation. The imposition of any anti-dumping duty would adversely impact the downstream industries that use melamine as a key raw material, thereby undermining the competitiveness of their finished products in both domestic and international markets. Such a measure would serve only to benefit a single entity—Gujarat State Fertilizers and Chemicals (GSFC)—which already enjoys a dominant position in the domestic market. It is wholly unjustifiable to extend further benefits in the form of protectionist measures to a firm that already enjoys monopolistic power in the domestic industry and exerts complete control over prices.

B. Changed Scenario

FIPPI wishes to further highlight that the Quality Control Orders (QCOs) were enforced on plywood and panel products in February 2025, mandating that all such products manufactured in the country comply with prescribed quality norms. Following the implementation of these QCOs, the industry's requirement for melamine is expected to rise, as manufacturers must meet the enhanced quality standards. The industry has assured government authorities that, post-QCOs, they would absorb increases in raw material and chemical input costs through internal mechanisms. Notably, despite higher input costs, some firms have maintained stable prices, while others have extended seasonal discounts, promotional schemes, or commercial incentives to customers. A few firms are leveraging this period to increase production and optimize capacity utilization, thereby supporting cost normalization through available market dynamics.

The imposition of any anti-dumping duty on critical chemicals like melamine, essential for resins used in plywood and panel production, would severely impact the industry. It would increase production costs, undermine the competitiveness of domestic products in both domestic and export markets, and could force the nation to rely more on imports to meet demand as domestically produced products become costlier.

We therefore request the Ministry of Commerce and Industry to withdraw the notice issued for the initiation of anti-dumping investigation concerning imports of melamine from China (dated 29th September 2025) to allow market forces play its part, to safeguard downstream consumer industries. Plywood and panel industry is already under pressure on account of increased import price on technical urea for the manufacturing of adhesive resins.

Thanking You,



Dr. M.P. Singh
Director General
Federation of Indian Plywood and Panel Industry (FIPPI)

FIPPI's Proposal for the Union Budget 2026–2027

To Promote Domestic Manufacturing of Plywood and Panel Products

1. Industry Profile and Contribution to the Indian Economy

The Federation of Indian Plywood and Panel Industry (FIPPI) is the apex industry association representing manufacturers of plywood, medium-density fibreboard (MDF), and particle board across India. Established in 1961, FIPPI has played a pivotal role in the development and growth of the country's wood panel sector, serving as the collective voice of the industry on matters related to policy, regulation, and sectoral advancement.

At present, the Indian plywood and panel industry comprises over 3,300 operational units, ranging from small and medium enterprises to large-scale manufacturers. The sector provides direct employment to approximately one million individuals, with an additional one million engaged indirectly through allied activities. Importantly, nearly 92% of the industry's timber requirement is sourced from Trees Outside Forests (ToF) and agroforestry plantations, ensuring zero dependency on natural forests. This responsible and sustainable sourcing model supports an estimated one million farmers across the country, thereby making the sector a significant contributor not only to industrial growth but also to rural livelihoods.

With rapid urbanization, a growing youthful demographic, and increasing aspirations among middle-class households for home ownership and interior upgrades, India's real estate sector is witnessing substantial growth. This surge is directly translating into increased demand for furniture and interior products. As wood-based furniture accounts for nearly 65% of the domestic furniture market, rising demand in this segment is driving the consumption of wood panel products. As a result, the Indian plywood and panel sector is experiencing robust growth, with the plywood segment growing at a CAGR of 6–7%, MDF at 20%, and particle board at 13%.

Table 1: Production Trends in Plywood, MDF, and Particle Board (in million cubic meters)

Year	Plywood	MDF	Particle Board
2022-23	10.6	1.7	1.4
2023-24	11.2	2.0	2.0
2024-25	11.9	3.9	4.0
2025-26 (Expected)	12.7	4.7	4.5

Note: Figures for Particle Board include production of bagasse board as well.

2. Challenges and Policy Gaps Affecting the Industry

2.1 Raw Material Constraint:

A. Timber

India's plywood and panel industry faces a persistent shortage of quality timber, which remains the most critical constraint to its growth and competitiveness. Approximately 92% of the timber utilized by the Indian plywood and panel industry is derived from Trees Outside Forests (ToF) and agroforestry sources, reflecting the sector's strong reliance on farm-grown wood. However, the remaining 8% is met through imports, primarily of high-quality logs, sawn wood, and veneers, leading to higher production costs, supply chain vulnerabilities, and reduced-price competitiveness in global markets. While agroforestry has emerged as the mainstay of timber supply, the availability of timber for the plywood and panel industry remains limited due to short rotation cycles, fragmented state policies, and restrictive transit regulations. This hampers the growth potential of the domestic wood panel industry.

B. High Cost of Glue/Resins and Preservatives

In addition to wood-based raw materials, the Indian plywood and panel industry is heavily reliant on adhesives, resins, and preservatives, which are critical to the manufacturing process. The common resins used in the sector are urea-formaldehyde resin, phenolic resin, melamine resin and their derivatives, however, their domestic production is scarce, leaving manufacturers dependent on imports, which substantially increases input costs.

The industry also faces a significant pricing challenge due to the disparity between agricultural-grade urea and the technical-grade urea required for resin production. This price gap is both substantial and subject to frequent fluctuations, leading to cost unpredictability and adding further upward pressure on overall manufacturing expenses.

C. Imports

The 8% reliance of the industry on timber imports in the Indian wood panel industry is primarily due to the unsuitability of domestically grown short-rotation plantation species—commonly used in Indian agroforestry—for producing high-quality face veneers. As a result, manufacturers are entirely dependent on imported face veneers. These imports exclude reconstituted veneers, which are man-made products manufactured from short-rotation species such as poplar and eucalyptus by dyeing, laminating, and re-slicing the wood.

2.2 Policy Constraints

A. Agroforestry Policy Gaps

The Hon'ble Finance Minister, in her Union Budget Speech for 2022–23, announced that policies and necessary legislative changes would be introduced to promote agroforestry and private forestry. However, since then, no substantive policy interventions have been undertaken to advance agroforestry at scale in India.

Although agroforestry crops are cultivated alongside agricultural crops on the same land, they face significant disadvantages at every stage—from seed sowing and plant development to post-harvest processing. Unlike agricultural produce, agroforestry outputs do not benefit from government support schemes, such as subsidies for quality seeds, planting material, farm inputs, agricultural implements, crop loans, insurance, or infrastructure support like polyhouses.

In addition, a significant taxation disparity further impedes agroforestry. While agricultural produce is exempt from the Goods and Services Tax (GST), agroforestry products are taxed at 18%, placing them at a distinct competitive disadvantage. These policy and infrastructural gaps collectively hinder the wider adoption of tree-based farming practices, thereby constraining the growth of domestic timber supply chains.

B. Limited Access to Quality Planting Material

A key challenge lies in the limited infrastructure for Quality Planting Material (QPM) production. Critical facilities—such as greenhouses, hardening chambers, and vegetative multiplication gardens—are either inadequate or altogether absent. These are essential for producing high-quality planting material, and their scarcity restricts the large-scale production and availability of QPM, limiting access for farmers.

C. Transit Rules and Ownership Issues of Farm-Grown Timber

Farm-grown wood is not currently recognized as “farm produce”, which creates significant barriers for farmers, traders, and industries seeking to engage in efficient, transparent, and unimpeded inter-state trade. Instead, stakeholders are required to obtain cumbersome and often unnecessary transit passes, resulting in avoidable procedural delays. Even when timber is cultivated legally by farmers, its transportation across state borders is subject to complex, inconsistent, and often arbitrary regulations.

The lack of uniformity in ownership and transit rules across states leads to delays, increased compliance costs, and a reduced flow of raw material to manufacturing units. This fragmented regulatory landscape disincentivizes farm-based timber production and creates inefficiencies in the raw material supply chain.

Furthermore, under the Indian Forest Act, 1927—specifically Chapter I, Section 2, Clauses 4(a) and 6—any tree species grown on private farmland is classified as “timber” once felled, and therefore considered “forest produce.” This interpretation imposes stringent controls, transit restrictions, and onerous documentation requirements, which further discourage farmers from engaging in tree-based cultivation and restrict the free movement and commercial utilization of farm-grown wood.

2.3 Tax and Duty Constraints

A. Current Custom Duty Framework Limiting the Growth of the Domestic Industry

Despite the limited availability of raw materials for wood panel manufacturing in India—both wood-based inputs and resins—the basic customs duties (BCD) on these essential raw materials remain relatively high. This, combined with limited domestic production of such materials, leads to elevated production costs for domestic manufacturers. As a result, the competitiveness of Indian wood panel products in the global market is adversely affected, limiting their export potential.

At the same time, the relatively low customs duties on imported finished wood panels—such as plywood, MDF, and particle board—pose significant challenges to the domestic industry. Nearly 80% of the Indian wood panel sector consists of unorganized and small-scale units, which lack access to advanced manufacturing technologies that foreign producers have. For these smaller players, production costs are already high, and the narrow price difference between imported and locally manufactured products (after adjusting for lower import duties) makes it extremely difficult for these small-scale units to compete with foreign producers. Therefore, there is an urgent need to rationalize the customs duty structure—by reducing

duties on critical raw materials and increasing duties on finished wood panels and wooden furniture—to provide a level playing field and enhance the competitiveness of the domestic industry.

Besides this, tariff disparities under the India-ASEAN Free Trade Agreement (FTA) have resulted in an inverted duty structure that discourages domestic manufacturing and undermines local value addition. Key raw materials, such as veneer sheets (HSN 4408) imported from countries outside the FTA, attract a 10% tariff under the Most Favoured Nation (MFN) regime. Meanwhile, finished products such as plywood, MDF and particle board (HSN 4412, 4411, 4410) imported from ASEAN countries benefit from a 0% preferential tariff. This discrepancy makes importing finished wood panels cheaper than importing essential raw materials, adversely impacting domestic producers. It is therefore recommended that the government undertake appropriate corrective measures to remedy this inverted duty structure and promote domestic manufacturing.

3. Proposed Budgetary Interventions

3.1. Policy Support

A. Urgent Need for a National Timber Policy

The potential of agroforestry in India has faced significant challenges over past decades, largely due to the application of restrictive forest-based laws and regulations to timber grown by farmers across various states. Although India's National Agroforestry Policy (2014) was a landmark step in recognizing agroforestry as critical to climate resilience and rural livelihoods, its implementation has been hindered by the absence of enforceable legislation.

Outdated laws continue to classify farm-grown trees as “forest produce,” subjecting farmers to bureaucratic obstacles or forcing them into informal markets. To effectively translate policy into practice, India requires a dedicated Agroforestry Act that formally recognizes and supports the integration of trees into farming systems, while eliminating legal ambiguities that currently restrict adoption and growth.

B. National Agroforestry Board

The establishment of a National Agroforestry Board or Wood Council should be considered to strategically plan and address challenges related to the linkage between industries, farmers, financial institutions, research bodies, and the marketing, import, and export of wood and wood products.

To institutionalize and strengthen the agroforestry ecosystem, the proposed Act recommends the creation of an Agroforestry Board of India at the national level under the Ministry of Agriculture, alongside corresponding State and Regional Agroforestry Boards. These bodies will be responsible for coordinating efforts among farmers, traders, wood-based industries, and research institutions. Their mandate will include facilitating price discovery, reducing transportation costs, promoting wood-based enterprises, and bridging gaps between supply and demand across the sector.

C. Equal Policy Support for Agroforestry Crops

A framework should be established for a digital Certificate of Origin and Ownership (COO), complemented by globally recognized “AgriWood-India” standards for legality and chain-of-custody verification. This initiative will ensure full traceability, promote the Vocal for Local campaign, and facilitate efficient, transparent, and barrier-free inter- and intra-state trade of farm-grown wood, exempting it from the restrictive provisions of existing Forest Acts and Rules. The proposed Agroforestry Act must comprehensively address the longstanding regulatory, institutional, and logistical bottlenecks that have impeded the large-scale adoption of tree plantations on farmland.

D. Transit Relaxation for Farm-Grown Timber Across States

To encourage widespread adoption of farm, agro-, and homestead forestry, an enabling environment must be created across states by simplifying procedures for obtaining permissions related to the felling and transit of tree species or their produce grown on private, non-forest land. Regulations governing tree felling and timber transit should be rationalized and liberalized for all significant timber species cultivated by farmers, including the facilitation of interstate movement. Permissions for felling and transit, where required, must be granted in a time-bound manner and widely publicized to ensure transparency and accessibility.

In the long term, all restrictions related to the felling and transit of agroforestry-grown trees should be gradually phased out. Farmers cultivating trees on their private agricultural land should be fully exempted from such regulatory barriers, guaranteeing their right to harvest and transport produce without delay. This measure will provide a strong incentive for the large-scale adoption of agroforestry practices.

E. Need for Carbon Credit and Green Incentive Framework for Agroforestry Plantations

Agroforestry plantations play a critical dual role—serving as a sustainable source of raw material for the plywood and panel

industry, while also delivering vital environmental services such as carbon sequestration, soil conservation, and biodiversity enhancement. However, despite these contributions, farmers and private enterprises currently receive limited economic recognition or compensation for their role in advancing ecological sustainability.

Although policy mechanisms such as the Green Credit Scheme by the Ministry of Environment, Forest and Climate Change (MoEFCC) and the Carbon Credit Scheme under the Bureau of Energy Efficiency (BEE) are in place, their on-ground impact has remained limited due to inadequate incentives and low uptake. There is, therefore, an urgent need to substantially strengthen and operationalize these schemes, enabling farmers and wood-based industries (WBIs) to earn meaningful financial returns for their environmental contributions. An enhanced incentive framework will promote large-scale adoption of climate-resilient agroforestry practices, facilitate greater industry participation, and align the sector with India's national climate goals under international commitments.

F. Need for the Development Council for Plywood and Other Panel Products

The plywood and panel industry holds significant potential to meet India's growing demand and contribute substantially to the vision of Atmanirbhar Bharat. As the sector enters a phase of accelerated growth—propelled by the implementation of Quality Control Orders (QCOs), increasing demand for sustainable building materials, and a heightened focus on agroforestry and green infrastructure—a dedicated institutional forum is essential to effectively represent the industry's interests before the Government and facilitate its smooth and rapid development.

However, for the QCO implementation to be truly effective, it must be backed by a robust institutional mechanism that can facilitate:

- Inter-ministerial coordination
- Monitor QCO compliance
- Provide technical and policy support to manufacturers and farmers
- Address raw material scarcity
- Promote innovation, product development, and workforce skilling, while building forward linkages with furniture sector and backward linkages with farmers engaged in agroforestry
- Reduce dependence on imports

G. Easing Restrictions and Expediting Testing of Restricted Plant Species for Import

In India, the Directorate of Plant Protection, Quarantine and Storage (DPPQS), under the Department of Agriculture and Farmers Welfare, regulates the import of plant species through a specified list of restricted and permissible species. The import process requires quarantine testing and certification, which is often lengthy and causes significant delays for manufacturers reliant on imported raw materials.

To support domestic manufacturing of plywood and panel products, it is imperative to review and temporarily ease restrictions on certain plant species, alongside implementing expedited testing and approval procedures. Such measures, while ensuring biosecurity, will minimize delays, enhance supply chain efficiency, reduce costs, and encourage innovation in sourcing diverse and suitable raw materials. This balanced approach will facilitate industry growth without compromising safeguards against pests and diseases.

H. Government-Directed Pricing for Technical-Grade Urea to Enhance Industry Competitiveness

To ensure the financial stability and global competitiveness of the Indian plywood and panel industry, the Government should establish a fixed, concessional price for technical-grade urea used by MSMEs. Currently, GNFC's technical-grade urea is priced at approximately Rs. 52 per kg, plus GST and freight, resulting in a delivered cost of around Rs. 56 per kg—nearly ten times higher than subsidized agricultural urea.

By comparison, synthetic resin manufacturers in China benefit from a government-regulated price of approximately USD 240 per metric ton (around Rs. 21,120 per ton or Rs. 21 per kg). After including freight, this translates to roughly Rs. 25–26 per kg, about five times the cost of agricultural urea in India. To align with international standards and enhance competitiveness, India should target reducing the price of technical-grade urea to approximately Rs. 25 per kg, supported by a government-directed pricing mechanism similar to China's. This measure will create a level playing field for Indian manufacturers in the global market.

3.2 Budgetary Support

A. Allocation for Nursery Development, R&D, and Financial Assistance for Farmers Growing Timber Species

Significant budgetary support is essential for the development of quality nurseries, advancement of research on high-yield and fast-growing timber species, and implementation of comprehensive training programs for farmers. Direct financial assistance to farmers cultivating timber species will strengthen the domestic supply chain and provide a sustainable source of raw materials for the plywood and panel industry.

A dedicated corpus fund of ₹10,000 crore with an aim to bring additional at least 60,000 ha land per year under agro / farm forestry area, should be established to promote agroforestry development through various schemes, including CAMPA, the forest cess already collected, and other related initiatives. Special schemes should focus on the development of high-yielding clones and seedlings tailored to different agro-climatic regions, mechanization advancements, and the extension of all relevant benefits to agroforestry produce.

Currently, quality improvement efforts for timber species are largely restricted to a few fast-growing species such as Eucalyptus, Casuarina, Poplar, and Melia dubia. To meet the increasing demand of the plywood and panel industry, these programs must be expanded to encompass additional timber characteristics relevant to panel production.

Moreover, research should incorporate indigenous species such as Duabanga, Canarium, Chukrasia, Terminalia, Leucaena, Albizia, Khaya Anthocephalus, and Mahogany across various regional research centers. Broadening the scope of quality improvement and breeding programs will enhance the availability of suitable raw materials, promote region-specific agroforestry practices, and ensure the sustainable utilization of both exotic and indigenous species.

B. NABARD Should Make a Provision for Financial Support to Agroforestry

The government should make a budgetary provision to support wood-based industry through NABARD for establishment of industrial cluster plantations in association with farmers to ensure sustainable availability of raw material in future. Primary processing industries should not be treated as industry, so that these do not come under the purview of tax regime; including GST. Common Facilities Centres (CFC) pertaining to wood-based industry may be established at community development blocks. The manufacturing of face veneers from the local species may be promoted to disincentivize their import.

3.3. Tax & Duty Recommendations

A. Lowering the Basic Customs Duty (BCD) on Raw Materials to 0%

To ensure a sustainable and cost-effective supply of timber for India's wood-based industries, it is recommended that the Basic Customs Duty (BCD) on key wood-based raw materials—logs (HSN Code 4403), sawn wood (HSN Code 4407), and veneers (HSN Code 4408)—be reduced to zero until a robust domestic supply chain is established. In parallel, a national target should be set to bring 7 million hectares of farmland under plantation by 2030. This should include 5 million hectares of short-rotation species and 2 million hectares of medium- to long-rotation timber species. This long-term initiative will help achieve self-sufficiency and reduce dependence on imports.

Currently, short-rotation plantation species grown in India are not suitable for producing high-quality face veneers, which are essential for plywood and panel manufacturing. As a result, the industry remains heavily reliant on imports to meet its requirements for veneers and sawn wood. At present, the BCD is set at 10% for veneers, 10% for sawn wood, and 5% for logs—levels that significantly increase the input costs for domestic manufacturers. This, in turn, raises the price of finished wood panels and furniture, thereby suppressing domestic demand and weakening international competitiveness. Reducing the BCD on these critical raw materials to 0% will ensure stable raw material availability, lower production costs, and enhance the global competitiveness of Indian manufacturers.

B. Raising the Basic Customs Duty (BCD) on Wood Panels to 25% and on Wooden Furniture to 35%

To encourage the use of domestically sourced timber, particularly from Trees Outside Forests (ToF), and to reduce reliance on imported finished wood products, it is proposed that the Basic Customs Duty (BCD) be increased to 25% on finished wood panels such as plywood (HSN Code 4412), MDF (HSN Code 4411), and particle board (HSN Code 4410), and to 35% on wooden furniture (HSN Codes 940330, 940340, 940350, and 940360). This revision aims to provide a much-needed price advantage to domestic manufacturers, many of whom operate at a cost disadvantage due to limited access to advanced technologies and economies of scale that foreign manufacturers have.

Despite the implementation of Quality Control Orders (QCOs) on plywood and panel products in February 2025, imports of non-compliant products from foreign manufacturers—lacking valid BIS certification—continue to enter the Indian market. A higher BCD, combined with stricter enforcement of mandatory BIS certification, will help prevent the dumping of substandard products and protect the integrity of the domestic market.

Such a move is also in line with international best practices, where several countries have strategically revised import duties to support their domestic wood processing sectors and encourage sustainable sourcing. Increasing the BCD on finished

wood panels from the current 10% to 25%, and on wooden furniture from 20% to 35%, will discourage low-cost imports, support the growth of domestic manufacturing, safeguard livelihoods across the value chain, and strengthen India's position in the global wood-based products market through enhanced value addition.

C. Import Duty Relief on Critical Chemicals/Resins Not Manufactured in India

Domestic production of key chemicals such as urea, phenol and melamine, essential for manufacturing widely used resins like urea-formaldehyde (UF) phenol-formaldehyde (PF) and melamine-formaldehyde (MF), remains limited. However, these materials attract high Basic Customs Duty (BCD)—currently 7.5% on phenol (HSN Code 29071110), 7.5% on melamine (HSN Code 29336100) and 10% on technical-grade urea (HSN Code 31021090)—which substantially raises industry production costs. Until domestic production is sufficiently augmented, it is recommended that the BCD on these critical raw materials be reduced to zero to support cost-effective manufacturing.

4. Expected Outcomes

4.1 Enhanced Domestic Raw Material Availability

The implementation of the proposed Agroforestry Act, supported by financial incentives and the development of quality planting material, will significantly enhance the availability of farm-grown timber suitable for plywood and panel production, thereby reducing the industry's dependence on imports. Additionally, the simplification of transit regulations and faster testing of restricted imported species—alongside coordinated institutional support from National and State Agroforestry Boards—will ensure a smooth and efficient raw material supply chain. These measures will promote domestic innovation and strengthen the overall value chain of the wood-based industry.

Due to inadequate plantation activity in previous years, timber prices in both North and South India have risen by approximately 20%. If this trend continues unchecked, raw material shortages will intensify, placing further pressure on manufacturing costs and production capacity. To address this, there is an urgent need to promote agroforestry on a large scale, with a target of bringing an additional 3.5 million hectares under agroforestry to ensure long-term raw material security and price stability.

4.2 Cost Competitiveness of Domestic Industry

Reducing customs duties on raw materials and critical chemicals, coupled with concessional pricing for technical-grade urea, will significantly lower production costs. This will boost the competitiveness of Indian plywood and panel products in both domestic and international markets.

4.3. Boost Export Potential and Import Substitution

The implementation of Quality Control Orders (QCOs) on plywood and panel products is expected to give a strong impetus to domestic manufacturing by curbing low-quality imports and encouraging Indian manufacturers to enhance capacity, efficiency, and quality. These regulations will foster a more competitive and standards-driven industry, strengthening India's position both in domestic and global markets.

With consistent policy support, India can position itself as a net exporter of plywood and panel products by 2030, mirroring the transformation witnessed in industries such as toys and tyres following QCO enforcement. In the long term, the sector holds an export potential of USD 2 billion and the capacity to generate 1.5 million additional jobs through an incremental production of 5 million cubic meters of plywood and panels, driven by agroforestry expansion and cost normalization.

QCO enforcement will progressively phase out substandard imports, enhance product quality, and make India self-reliant in wood-based materials. This initiative will not only boost domestic demand and exports but also play a pivotal role in realizing the Prime Minister's vision of an 'Atmanirbhar Bharat'—strengthening the Make in India mission and establishing India as a global hub for high-quality, sustainable wood products.

4.4 Formalization and Growth of MSMEs

Reducing GST on agroforestry-sourced wood and plywood & panel products will encourage small and unorganized players to formalize their operations. This will improve tax compliance, product quality, and access to government support schemes, fostering sustainable growth of MSMEs in the sector.

4.5 Boost to Rural Livelihoods and Farmer Income

Enhancing the agroforestry ecosystem with financial support, simplified transit regulations, and carbon credit incentives will encourage greater farmer participation in tree cultivation. This will generate additional income opportunities and promote employment in rural areas, contributing to sustainable rural development.

FIPPI Urges Government–Directed Pricing for Technical–Grade Urea to Support Plywood & Panel Industry



FEDERATION OF INDIAN PLYWOOD & PANEL INDUSTRY

REGISTERED UNDER THE SOCIETIES REGISTRATION ACT XXI OF 1860, REGN. NO. S/2985/1968-69 DT. 4.1.1969

1005, VIKRANT TOWER, 4, RAJENDRA PLACE, NEW DELHI 110 008, INDIA
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Chief Patron Mr. Sajjan Bhajanka	Patrons Mr. S.P. Mittal Mr. M.S. Vagh Mr. N.K. Aggarwal	President Mr. Rajesh Mittal	Senior Vice President Mr. Jaydeep Chitlangia	Vice Presidents Mr. Jikesh Thakkar Mr. Keshav Bhajanka	Director General Dr. M.P. Singh
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FIPPI/Budget2/2025-26

October 11, 2025

To,
Shri Rajat Kumar Mishra, IAS
Secretary (Fertilizers)
Department of Fertilizers
Ministry of Chemicals and Fertilizers
Shastri Bhawan, New Delhi-110001.

Subject: Submission of Key Recommendations for Union Budget 2026–27 – Request for Policy Intervention to Establish a Government-Regulated Pricing Mechanism for Technical-Grade Urea.

Respected Sir,

At the outset, the Federation of Indian Plywood and Panel Industry (FIPPI) wishes to inform you that it has submitted its detailed recommendations for consideration under the Union Budget 2026–27 to the Office of the Economic Adviser (OEA), Ministry of Commerce and Industry (Annexure 1).

Further to this, we wish to bring to the kind attention of the Department of Fertilizers, Ministry of Chemicals and Fertilizers, specific recommendations that fall within its purview and are vital to addressing the challenges related to the pricing and availability of technical-grade urea for the Indian plywood and panel industry.

Technical-grade urea is a critical input for the manufacture of synthetic resins like urea-formaldehyde, which are extensively used in producing plywood, MDF, and particle boards. Out of India's estimated annual urea consumption of 30 million tons, only about 1% is used for industrial purposes, while the remaining 99% is allocated to agriculture. Although the cost of manufacturing urea in India ranges between USD 300 to 400 per ton, the government supplies it to farmers at a subsidized rate of around USD 60 per ton, through a subsidy outlay of approximately ₹1.2 lakh crore each year. Industrial users, including those in the plywood and panel sector, are excluded from this subsidy mechanism, making technical-grade urea significantly more expensive for them.

Public sector manufacturers such as GNFC and GSFC determine their technical-grade urea prices based on international landed costs, adding margins and freight charges regardless of their lower domestic production costs. As a result, the current delivered price of technical-grade urea stands at around ₹56 per kg (₹52/kg base price + GST and freight), which is nearly ten times the price of agricultural urea. In comparison, countries like China provide industrial urea to resin manufacturers at a government-directed price of about USD 240 per ton—roughly ₹25–26/kg including delivery—which allows their industries to operate competitively while maintaining a clear price gap from subsidized agricultural use.

This sharp pricing disparity in India creates major challenges. Not only does it push up manufacturing costs for domestic resin and wood panel producers, but it also creates a strong financial incentive to divert subsidised agricultural urea to industrial applications. With over 3,300 plywood factories operating across India, enforcement alone cannot prevent such diversion. When industrial urea is priced nearly ten times higher than agricultural urea, such gaps make illegal practices financially tempting. The absence of a fair pricing mechanism also encourages informal transactions and affects legitimate trade,

ultimately leading to a loss of tax revenue for the government and weakening compliance across the value chain.

To address this issue, FIPPI respectfully urges the Government of India to introduce a government-directed pricing mechanism for technical-grade urea. This can be implemented without extending any subsidies to the industry, by making the following policy interventions:

- Introduce a government-directed pricing mechanism: India should target reducing the price of technical-grade urea to approximately ₹25 per kg, supported by a government-directed pricing mechanism similar to China. This measure will create a level playing field for Indian manufacturers in the global market.
- Price industrial urea based only on variable costs: Overhead and fixed costs should not be factored into the pricing of industrial-grade urea, as they can be fully absorbed by the subsidised agricultural segment, which accounts for over 99% of total urea consumption.
- Ensure decentralized supply through select public sector plants: The Government should direct 100% government-owned urea plants located in the four corners of the country and one in the central region to supply technical-grade urea for industrial use. This will ensure consistent and regionally accessible availability to wood panel and resin manufacturers across India.

These steps will help stabilize input costs for the industry, reduce diversion of subsidised urea, formalise the supply chain, and ultimately enhance government revenue through improved compliance and tax collection — without adding to the fiscal burden.

Thanking You,



Dr. M.P. Singh
Director General
Federation of Indian Plywood and Panel Industry (FIPPI)

Copy to:

Shri Mohammad Isharar Ali
Director
Department for Promotion of Industry & Internal Trade

Supporting Notified Pricing of Technical-Grade Urea: FIPPI Submits Additional Facts to the Government



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FIPPI/Budget2/2025-26

October 24, 2025

To,
Ms. Aneeta C. Meshram
The Additional Secretary
Department of Fertilizers, Ministry of Chemicals and Fertilizers,
Government of India
Shastri Bhawan, New Delhi – 110001.

Subject: Request for Intervention on Technical-Grade Urea Pricing, Availability, and Reduction of Basic Customs Duty-Regarding additional facts.

Respected Madam,

Appropos to above subject, a delegation of FIPPI comprising Shri N. K Agarawal, Patron, FIPPI and Dr M P Singh DG, FIPPI interacted with the Secretary, Department of Fertilizers on 16th October. It is further reiterated that the plywood and panel sector remain committed to cooperating with the Government to ensure proper regulation, traceability, and responsible use of technical-grade urea in accordance with BIS, Environmental standards and the Fertilizer (Control) Order, 1985 (FCO) of the Essential Commodities Act, 1955 (ECA). In this context FIPPI would like to add a few supplementary facts which may support the government in its efforts to ensure the use of fertilizers permitted for sale for industrial use at no profit no loss price, excluding all subsidies at the production, import, handling or on sale for agricultural consumers:

1. Challenges faced by Industry in supply of technical grade: Network of Industrial Dealers and Extent of Plywood Industries' Distribution- As per proviso of FCO, Industrial dealer" means a dealer who sells fertilizer for industrial purposes whereas "industrial purposes" means the use of fertilizer for purposes other than fertilization of soil and increasing productivity of crops. The plywood industries are dominated by MSMEs and distributed throughout the country. There is lack of awareness and urgency about government regulations in general amongst MSMEs. Even after the implementation of Quality Control Orders (QCO) of DPIIT for mandatory BIS standards for these products, out of more than 3000 industries, around a thousand have taken BIS licenses for the manufacture of plywood and panel products. FIPPI is trying to create awareness amongst them. However, many industries are not even associated with the regional plywood manufacturers' association affiliated to FIPPI. An estimated number of plywood industries in different states based on recent study done by ICFRE (MoEF&CC) is given in this table below. Further all wood-based industries are guided by MoEF&CC's guidelines for their establishment and operations, wherein State Forest Departments issue licenses or registration to these Wood based Industries. Therefore, exact locational information of plywood and panel industries may be available with the Survey and Utilization Division of MoEF&CC, Government of India.

Table 1: Estimated Number of Plywood Industries in India.

S. No.	State/UT	Estimated Plywood Units	Major Cluster(s)
1.	Andhra Pradesh	49	
2.	Assam	48	
3.	Bihar	279	Motipur

4.	Chhattisgarh	35	
5.	Gujarat	175	Kandla
6.	Haryana	520	Yamunanagar
7.	Jammu & Kashmir	4	
8.	Jharkhand	2	
9.	Karnataka	300	Mysuru/Hasan, Mangaluru
10.	Kerala	700	Kannur, Perambur
11.	Madhya Pradesh	17	
12.	Maharashtra	55	
13.	Odisha	10	
14.	Punjab	125	Hoshiarpur
15.	Rajasthan	120	Jaipur
16.	Tamil Nadu	4	
17.	Telangana	41	
18.	Uttar Pradesh	375	Bareilly, Nazimabad, Lucknow, Hapur
19.	Uttarakhand	23	
20.	West Bengal	200	Siliguri
21.	NorthEast*	50	
Total		3132	

In this scenario a network of industrial dealers may be ensured as per above distribution of plywood industries in the country to augment sourcing industrial urea. Further adherence to FCO and level of distribution regulation of fertilizers in different states play important role in the easy availability of fertilizers for other uses forbidden by provision 25 of FCO, whereas availability of Technical-grade urea is limited and often imported. High reliance on imported technical urea creates trade vulnerability.

2. Estimated Quantum of Urea used in Plywood and Panel Sector: Based on estimated production volumes of plywood and panels of FIPPI and inputs from Institute of Wood Science and Technology, Bengaluru on usage of urea in the manufacture of plywood and panels in best condition of manufacturing the total urea used by the plywood and panel has been estimated as given in Table 2. The urea content in Urea Formaldehyde (UF) resin is 1 part on the total of 3.5 which is equal to 28.5%. of resin (UF) and resin requirement on the average is 72 kg per cubic meter of plywood. For MDF and Particle Boards, 138 kg Liquid UF resin per CBM MDF keeping density 750 kg/m³ has been considered for our estimation with percentage of urea at 33% in the resin. and. Out of total production of plywood 60% are assumed to be commercial plywood (MR) using UF resin while other special plywood uses melamine and phenolic bases with formalin. All these assumptions are for best scenario, actual commercial production will vary according to the marketability and branding of the products.

Table 2: Maximum Quantum of Urea used in Plywood and Panel Sector.

SI No	Products	Present Production Capacity (in Million CBM)	Basis	UF resin consumption (in Ton)	Urea %	Maximum Urea consumption in ton
1	Plywood	Total production 12 CBM, out of which 60 pct is made with UF resin i.e. 7.2	72 kg liquid UF resin per CBM Plywood	5,18,400	0.285	1,47,744
2	MDF	4.0	138 kg Liquid UF resin per CBM MDF keeping density 750 kg/m ³	5,52,000	0.33	1,82,160

3	PB	4.0	138 kg Liquid UF resin per CBM PB keeping density 750 kg/m ³	5,52,000	0.33	1,82,160
Total						5,12,064

Assuming full utilization of capacity and best quality of products, total value for technical grade urea requirement will come to 2561 crore Rupees at assumed rate of 50 Rupees per kg. This estimation will help the policy makers to take suitable decisions in providing support to MSMEs by mechanism of notified price for technical grade urea for industrial uses and dispel the claim that diversion of agricultural urea for industrial uses deprives the exchequer of 20,000 crore Rupees annually.

We request the Department's kind consideration of appropriate policy support to ensure the availability and affordability of technical-grade urea for industrial use.

Thanking You,



Dr. M.P. Singh
Director General
Federation of Indian Plywood and Panel Industry (FIPPI)

Copy to:

Shri Mohammad Isharar Ali
 Director
 Department for Promotion of Industry & Internal Trade



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FIPPI/Budget2/2025-26

October 24, 2025

To

Dear Primary Members and Affiliated Members of FIPPI.

Subject: Request for Adherence to the Fertilizer (Control) Order, 1985 (FCO) of the Essential Commodities Act, 1955 (ECA)- Regarding Technical Urea.

A delegation of FIPPI comprising Shri N. K Agarawal, Patron, FIPPI and Dr M P Singh DG, FIPPI interacted with the Secretary, Department of Fertilizers on 16th October on his invitation. During 40 minutes' interaction. Secretary Fertilizer kept emphasizing on diversion of agricultural urea by Plywood and Panel Industry causing a loss of 20 K crore to the exchequer. We tried to reason that our sector is not more than 100K crore. It was disastrous meeting with only one message that industries switch to Technical Grade Urea. They are compiling data from their sources for past few years and plan to give this issue of diversion and loss of GST to Economic Offence Wing of Revenue Department which has more coercive provisions. Enquiry and raids are planned in next few days as matter has been discussed and highlighted at the highest level including PMO, MPs etc.

FIPPI have reiterated that the plywood and panel sector remain committed to cooperating with the Government to ensure proper regulation, traceability, and responsible use of technical-grade urea in accordance with the Fertilizer (Control) Order, 1985 (FCO) of the Essential Commodities Act, 1955 (ECA). Challenges faced by Industry in supply of technical grade were highlighted subsequently. It has been requested that a network of industrial dealers as provisioned in the FCO may be ensured as per the current distribution of plywood industries in the country to augment sourcing industrial urea. Further adherence to FCO and level of distribution regulation of fertilizers in different states play important role in the easy availability of fertilizers for other uses forbidden by provision 25 of the FCO, whereas availability of Technical-grade urea is limited and often imported. High reliance on imported technical urea creates trade vulnerability.

It was further elaborated that assuming full utilization of capacity (12 million CBM plywood, 4 million MDF and 4 million Particle Board) and best quality of products, total quantity of technical grade urea requirement will come to 5 lakh tonne valued at 2500 crore Rupees at assumed rate of 50 Rupees per kg. This estimation should help the policy makers to take suitable decisions in providing support at least to MSMEs by mechanism of notified price for technical grade urea for industrial uses and dispel the claim that diversion of agricultural urea for industrial uses deprives the exchequer of 20,000 crore Rupees annually.

We have requested the Department's kind consideration of appropriate policy support to ensure the availability and affordability of technical-grade urea for industrial use. However, the central government has

not indicated taking any proactive measures to facilitate availability of technical grade urea at notified price soon. We all should continue our efforts in this direction.

In the meantime, it is imperative that plywood and panel industries make all efforts to augment technical grade urea for industrial uses. Under section 25 of FCO there is clear provision that fertilizers are meant for improving productivity of the soil for crops only and in no case shall be used for industrial purposes. The penal provision is guided by Essential Commodities Act, 1955, which is very harsh.

Thanking You,

Dr. M.P. Singh
Director General
Federation of Indian Plywood and Panel Industry (FIPPI)

Copy to:

Shri Mohammad Isharar Ali, Director
Department for Promotion of Industry & Internal Trade

All Primary Members

All affiliated regional plywood manufacturer association

FIPPI Recommends Conditional Basic Customs Duty Exemption on Imported Logs for Veneering Use in the Union Budget 2026–27



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FIPPI/Budget3/2025-26

October 13, 2025

To,
Shri Tanmay Kumar, IAS
Secretary
Ministry of Environment, Forest and Climate Change
Indira Paryavaran Bhawan,
New Delhi.

Kind Attention:
Shri Krishna Bahadur Singh,
Inspector General of Forest,
Survey and Utilisation (SU) Division,
Ministry of Environment,
Forest and Climate Change

Subject: Recommendations for Union Budget 2026–27 — Request for Conditional Basic Customs Duty Exemption on Imported Logs for Veneering Use.

Respected Sir,

At the outset, the Federation of Indian Plywood and Panel Industry (FIPPI) wishes to inform that it has submitted its detailed recommendations for consideration in the Union Budget 2026–27 to the Office of the Economic Adviser (OEA), Ministry of Commerce and Industry (Annexure 1).

Further to this, we wish to bring to the kind attention of the Ministry of Environment, Forest and Climate Change (MoEFCC) certain key recommendations from the proposal that fall within the Ministry's purview. These are critical for ensuring sustainable raw material availability and promoting agroforestry-based timber supply to support the long-term viability of the Indian Plywood and Panel Industry.

At present, the Indian Plywood and Panel Industry sources approximately 92% of its timber requirements through agroforestry, thereby ensuring no disturbance to natural forests. The remaining 8% is met through imports, primarily due to the limited promotion of diverse agroforestry practices in India and the unsuitability of short-rotation timber species currently grown under such practices for the manufacture of high-quality face veneers, excluding reconstituted veneers.

It is important to clarify that the industry's dependence on imported timber is not driven by cost advantages. The landed cost of domestic peeling logs ranges between ₹9,000 and ₹9,500 per metric ton, averaging around USD 110 per metric ton. In comparison, imported peeling logs are significantly more expensive, ranging from USD 140 to 240 per cubic meter, with an average cost of USD 162.23 per cubic meter. Despite this price difference, the absence of sufficient suitable timber domestically leaves the industry with no option but to rely on imports, which substantially increases input costs and affects the competitiveness of domestic manufacturers. Over the last three financial years, due to the severe scarcity of raw material domestically, India imported eucalyptus (HSN Code 44039800) and poplar (HSN Code 44039700) logs for veneering worth

₹458 crore and ₹151 crore respectively. The rising demand for wood panel products, coupled with domestic raw material constraints, has necessitated this dependence on imports.

It is also important to clarify that the Indian Plywood and Panel Industry does not import logs to be used for solid wood purposes but for veneering, to produce value-added wood panels such as plywood, blockboards, and similar materials. Despite this, the industry faces a Basic Customs Duty (BCD) of 5% on imported logs (HSN Code 4403), which significantly increases production costs. This duty structure discourages value addition by domestic manufacturers, raises input costs, limits the competitiveness of Indian wood panel products in international markets, and constrains the sector's export potential.

In light of the above, FIPPI respectfully recommends the inclusion of a conditional exemption from Basic Customs Duty (BCD) on imported logs (HSN Code 4403) based on their end-use in the Union Budget 2026-27. Specifically, logs imported for the purpose of veneering should be eligible for 0% BCD. FIPPI believes this policy measure will not only reduce production costs and enhance export competitiveness but also support the vision of the Hon'ble Prime Minister for an 'Atmanirbhar Bharat,' strengthen the Make in India initiative, and contribute to India's emergence as a global hub for high-quality, sustainable wood products.

We sincerely hope that the Ministry of Environment, Forest and Climate Change will consider this recommendation favorably and take it forward in coordination with the Ministry of Finance during the Union Budget 2026–27 deliberations.

Thanking You,



Dr. M.P. Singh
Director General
Federation of Indian Plywood and Panel Industry (FIPPI)

Copy to:

Shri Mohammad Isharar Ali
Director
Department for Promotion of Industry & Internal Trade

FIPPI Calls for Basic Customs Duty (BCD) Rationalization to Boost Competitiveness of Domestic Wood-Based Industry



FEDERATION OF INDIAN PLYWOOD & PANEL INDUSTRY

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FIPPI/Budget7/2025-26

December 3, 2025

To,
The Member (Tax Policy & Legal)
Central Board of Indirect Taxes & Customs (CBIC)
Department of Revenue, Ministry of Finance
North Block, New Delhi.

Subject: Request for Graded Basic Customs Duty (BCD) to Strengthen the Domestic Plywood and Panel Industry - Submission of Recommendations for the Union Budget 2026–27.

Respected Sir,

At the outset, we take this opportunity to introduce the Federation of Indian Plywood and Panel Industry (FIPPI) – the apex body representing manufacturers and regional associations engaged in the production of plywood, medium-density fibreboard (MDF), and particle board across India. FIPPI serves as the principal voice of the industry in policy and regulatory deliberations, working to advance sectoral interests and promote sustainable and competitive growth.

The recently enforced Quality Control Orders (QCOs) have catalysed a once-in-a-generation transformation in the Indian plywood and panel industry – bringing a large number of fragmented units into the formal quality ecosystem and ensuring that their products meet prescribed standards. However, despite this positive transformation, the current 'Basic Customs Duty (BCD) regime' on critical inputs and finished products continues to provide undue cost advantage to foreign manufacturers – in both domestic and export markets. In several cases, the BCD on key raw materials – such as sawn wood and veneers – is equal to the duty on finished panels, while other essential inputs, including logs and chemical/resin-based materials, carry slightly lower duties, though the differential remains insufficient to incentivize domestic value addition. This restricts the growth of the domestic industry, even as demand for wood panels rises sharply – driven by increasing per-capita income, a growing middle-class population, and robust growth in sectors such as infrastructure, housing, and furniture. More importantly, this situation undermines the objectives of government flagship initiatives – including Make in India and Atmanirbhar Bharat – which aim to promote domestic manufacturing and self-reliance.

In view of the above, FIPPI respectfully urges the Government of India to rationalize the current Basic Customs Duty (BCD) regime by lowering duties on critical inputs and raising duties on finished outputs (wood panels and wooden furniture) to promote domestic manufacturing of plywood and panel products, through the following targeted policy interventions:

HSN Code	Product Description	Current BCD	Proposed BCD
4403	Logs	5%	0%
4407	Sawn Wood	10%	0%
4408	Veneers	10%	0%
4412	Plywood	10%	25%
4411	Medium-density Fibreboard (MDF)	10%	25%
4410	Particle Board	10%	25%

1.0 Lowering the Basic Customs Duty (BCD) on All Timber-Based Raw Materials to 0%

HSN Code	Product Description	Current BCD	Proposed BCD
4403	Logs	5%	0%
4407	Sawn Wood	10%	0%
4408	Veneers	10%	0%

Justification: Currently, around 92% of the industry’s timber requirements are met through sustainable agroforestry, without impacting natural forests, while the remaining 8% is met through imports. Imports are not driven by lower costs – imported logs are significantly more expensive than domestic timber – but by restrictive state policies and transit regulations for agroforestry-grown timber, which discourage farmers from engaging in tree cultivation at scale. According to the ICFRE report of 2024, total deficit of timber is about 40.64 million cubic metres in India, necessitating the reliance on imports.

Furthermore, short-rotation timber species such as poplar and eucalyptus, commonly grown under India’s current agroforestry model, are unsuitable for producing high-quality face veneers, which are critical for determining the quality of finished plywood and panel products. Consequently, the industry is entirely dependent on imported face veneers.

This dependence on imports exposes the industry to supply chain vulnerabilities and higher production costs, limiting the competitiveness of Indian-manufactured products globally, even when they comply with government-mandated quality standards. Reducing the BCD to 0% will significantly lower production costs, enabling domestic manufacturers to compete more effectively with foreign suppliers in both domestic and international markets.

2.0 Raising the Basic Customs Duty (BCD) on Wood Panels to 25% and on Wooden Furniture to 35%

2.1 Wood Panels – Plywood, Medium-Density Fibreboard, and Particle Board

HSN Code	Product Description	Current BCD	Proposed BCD
4412	Plywood	10%	25%
4411	Medium-density Fibreboard (MDF)	10%	25%
4410	Particle Board	10%	25%

Justification: At present, nearly 80% of the units in the Indian plywood and panel sector consist of unorganized and small-scale manufacturers – many of whom are still transitioning toward mandatory QCO compliance. These small players lack access to advanced manufacturing technologies and the policy support available to foreign manufacturers, resulting in structurally higher production costs. With the current low duty differential between imported and domestically manufactured panels, these MSME units face intense price competition, making it extremely difficult for them to remain viable.

Raising the BCD on wood panels from 10% to 25% will provide essential price protection and enable domestic manufacturers – particularly MSMEs – to compete more effectively. This measure becomes even more critical given that, despite QCO implementation in February 2025, non-compliant imports lacking valid BIS certification continue to enter the Indian market. A higher BCD, combined with strict enforcement of BIS norms, will help curb the influx of substandard imports and protect the integrity of the domestic market.

Such a revision is also consistent with international best practices, where several countries have increased duties strategically to support their domestic wood-processing industries and encourage sustainable, local value addition.

2.2 Wooden Furniture

HSN Code	Product Description	Current BCD	Proposed BCD
940330	Wooden Furniture of a kind used in Offices	20%	35%
940340	Wooden Furniture of a kind used in the Kitchen	20%	35%
940350	Wooden Furniture of a kind used in the Bedroom	20%	35%
940360	Other Wooden Furniture	20%	35%

Justification: With the implementation of mandatory QCOs on wood panels, the domestic plywood and panel industry has begun transitioning toward compliance with prescribed quality standards. However, in the absence of measures to curb the influx of substandard imported wooden furniture, end consumers may continue to purchase inferior products, undermining the primary objective of the QCOs on wood panels.

In view of this, imposing a higher, graded BCD on wooden furniture from 20% to 35% is essential. This targeted measure will curb substandard imports, provide critical price protection to domestic manufacturers, and enable them – particularly MSMEs, which constitute the majority of the Indian wooden furniture sector – to compete more effectively while maintaining high-quality standards. Such a policy will also encourage local value addition, formalize small and medium enterprises, and generate sustainable employment.

We earnestly request the Government of India to consider these strategic BCD interventions in the Union Budget 2026-27. Rationalizing duties on critical raw materials and enhancing protection for domestic wood panels and furniture will strengthen the competitiveness of Indian manufacturers, encourage local value addition, formalize MSMEs, and generate sustainable employment. These measures will also reinforce the objectives of flagship initiatives such as Make in India and Atmanirbhar Bharat, helping to build a resilient, self-reliant, and globally competitive wood-based manufacturing ecosystem.

We trust that these policy interventions will be given due consideration in the Union Budget 2026-27, thereby strengthening the Indian wood-based industry and supporting its sustainable growth.

Thanking You,



Dr. M.P. Singh
Director General
Federation of Indian Plywood and Panel Industry (FIPPI)

Copy to:

1. The Secretary
Department of Revenue, Ministry of Finance
Kartavya Bhawan - I, New Delhi
2. The Chairman
Central Board of Indirect Taxes & Customs (CBIC)
Department of Revenue, Ministry of Finance
North Block, New Delhi

Plywood & Panel Sector Remains Committed to QCOs & Competition Law: FIPPI Denies Importers' Lobby Claims of Coordinated Industry – Wide Price Hikes of Wood Panels



FEDERATION OF INDIAN PLYWOOD & PANEL INDUSTRY

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FIPPI/1P-2025

October 10, 2025

To,
Shri Sanjiv
Joint Secretary
Department for Promotion of Industry and Internal Trade (DPIIT)
Ministry of Commerce & Industry
Vanijya Bhawan, New Delhi.

Subject: Clarification that there has been No Coordinated or Industry-Wide Price Hike of Plywood and Panel Products Following the Implementation of the QCOs.

Respected Sir,

At the outset, the Federation of Indian Plywood and Panel Industry (FIPPI) respectfully submits that the claims made by the Association of Furniture Manufacturers and Traders (AFMT) regarding an alleged industry-wide price hike of plywood and panel products are unfounded and do not accurately reflect prevailing market realities.

FIPPI wishes to bring to your esteemed attention that, following the implementation of the Quality Control Orders (QCOs), there has been no coordinated or industry-wide increase in the prices of plywood and panel products. Recent price revisions by a few regional associations have been undertaken independently — without any involvement or endorsement from FIPPI — and are a direct response to localized cost structures and operational challenges. For instance, manufacturers in Kerala and other parts of South India had long been operating at significantly lower base prices. Due to sustained increases in the cost of core and face veneers, timber, labour, and resin, these manufacturers revised their prices to reflect actual input cost escalations and halt downslide of prices. These adjustments are aligned with prevailing market dynamics and were essential to ensure the financial sustainability of those units. FIPPI too understands that these decisions are taken to stabilize the present prices in the process so that manufacturers stop competing in decrease of the price. With over 80% of the Indian Plywood and Panel Industry being unorganized and comprising primarily small-scale units, any form of price coordination or cartelization is practically impossible, nor does FIPPI support such activities in any manner. To ensure compliance across the industry, FIPPI reiterating that on 18th September 2025, issued a circular clearly advising all affiliated associations not to discuss prices on any association platform, as such actions could be seen as violations of Section 3 of the Competition Act, 2002, and are strictly prohibited under any circumstances (Annexure-I).

Furthermore, FIPPI has also written a letter to its primary members seeking their inputs on the issue of 'unprecedented price rise after the implementation of QCO' as alleged by AFMT (copy enclosed Annexure- II) for clarity. Enclosed herewith are written responses received from several prominent manufacturers affirming their respective price positions and rationale (Annexure-III). They highlight that despite upward pressure on raw material and chemical input costs, most leading domestic manufacturers have absorbed a significant portion of the burden through their intrinsic internal mechanism. Notably, some have maintained stable prices, others have extended seasonal discounts, promotional schemes, or commercial incentives

to customers, and a few are leveraging this opportunity to boost production and optimize capacity utilization, thereby supporting cost normalization through available market dynamics. FIPPI has never encouraged any discussion on price fixation on its forum.

As suggested earlier furniture manufacturers need to engage in B2B with manufacturers for right specifications which suites their requirement and pricing. There are 625 different kinds of plywood which can be made with existing IS 303 for General Purpose Plywood. In retail market, higher quality is preferred by the consumers, carpenters and retailers. BIS has introduced 2nd grade for particle boards to accommodate Bagasse Board Manufacturers. Even now FIPPI is ready to support special grades to suite their requirement once they suggest the specification details.

We reaffirm that the plywood and panel industry remain fully committed to regulatory compliance, including adherence to the QCOs and competition law, and continues to uphold fair, transparent, and ethical practices across all regions. We are further seeking feedback from the field through other category of stakeholders such as carpenters' association and retailers' association whether any undue advantage has been taken by the manufacturing industries across the country after the implementation of QCOs by DPIIT. We will apprise the DPIIT accordingly in due course. Industries are busy with augmenting their production capacity while meeting the mandatory BIS certification of their products.

Thanking You,



Dr. M.P. Singh
Director General
Federation of Indian Plywood and Panel Industry (FIPPI)

FIPPI Appeals for 5% GST on All Products under Chapter 44 & Wooden Furniture: Supporting Agroforestry-Based Products to Enhance Farmers' Incomes, Promote Sustainability & Strengthen Rural Livelihoods



FEDERATION OF INDIAN PLYWOOD & PANEL INDUSTRY

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FIPPI/GST9/2025-26

November 12, 2025

To,
Shri Arvind Shrivastava
Secretary,
Department of Revenue Ministry of Finance,
New Delhi.

Subject: Representation for Inclusion of All Products under Chapter 44 and Wooden Furniture (HSN Code 9403) under the 5% GST Slab.

Reference: Letter No. FIPPI/GST1/2025-26 dated 8th August 2025 & Letter No. FIPPI/GST7/2025- 26 dated 30th August 2025.

Respected Sir,

On behalf of the Indian Plywood and Panel Industry, we sincerely commend the Government of India, under the leadership of Hon'ble Prime Minister Shri Narendra Modi, for progressive GST reforms aimed at enhancing national welfare. We appreciate the GST Council's rationalization recommendations from the 56th meeting held on 3rd September 2025, which focuses on benefiting common citizens, labour-intensive sectors, farmers, agriculture, and other economic drivers.

Referring to our earlier submissions (Ref. Nos. FIPPI/GST1/2025-26 and FIPPI/GST7/2025-26), we reiterate our united appeal for rationalization and reduction of GST rates on agroforestry-sourced timber and plywood and panel products manufactured from these sustainable materials. The Federation of Indian Plywood and Panel Industry (FIPPI), along with regional associations of manufacturers and traders, has consistently advocated for wood-based materials to be classified distinctly from synthetic or metal alternatives. Wood is the most sustainable building material, outperforming acrylic or PVC panels and iron or aluminium doors in sustainability credentials. This distinction must be reflected in the policy framework, including GST categorization.

1.0 Agroforestry: A Sustainable Strategy to Enhance Farmers' Income

Agroforestry, which integrates trees with crops and livestock on the same land, offers a sustainable strategy to enhance farmers' income by optimizing the use of limited land and water resources. By diversifying revenue through timber production alongside traditional agriculture, farmers gain stable supplementary earnings and reduce risks associated with crop failures and seasonal fluctuations. In India, about 28.4 million hectares are currently under agroforestry, with the potential to expand beyond 53 million hectares. Research from the trans-Gangetic plains demonstrates that agroforestry systems can more than double farmers' incomes within seven years compared to conventional rice-wheat cultivation, with additional gains possible through carbon credit income. The Indian government's focus on doubling farmers' incomes highlights the vital role agroforestry can play in providing steady and enhanced livelihoods.

Beyond income, agroforestry contributes significantly to environmental and ecological benefits by improving soil health,

conserving water, and mitigating climate change through carbon sequestration. Crop diversification through tree integration lowers economic risks and protects farmers against market volatility. Additionally, scaling up domestic timber production through agroforestry could reduce imports worth approximately \$350 million annually, thereby opening new market opportunities and strengthening rural economies. Realizing the full potential of agroforestry requires supportive government policies, stable markets, skill development, and overcoming challenges like price volatility and policy barriers to encourage widescale adoption in India's agricultural landscape.

2.0 Agroforestry and Sustainability

The Indian Plywood and Panel Industry play a crucial role in empowering small and marginal farmers by sourcing approximately 92% of its timber from agroforestry. This sustainable raw material sourcing provides farmers with a reliable supplementary income without affecting food crop production, helping them manage seasonal fluctuations and reduce economic vulnerability. With India currently having 28.4 million hectares under agroforestry and the potential to expand beyond 53 million hectares, the industry supports over one million farmers and generates significant rural employment across harvesting, transportation, and processing. Policy initiatives like reducing GST on wood and wood-based products could further incentivize agroforestry, enhancing rural prosperity and land productivity.

Beyond economic benefits, the industry advances environmental sustainability by acting as a carbon sink, with timber products storing carbon long after harvesting and substituting carbon-intensive materials like concrete and steel. Agroforestry-driven timber sourcing enhances carbon sequestration, enriches green cover, and supports ecosystem health through sustainable forest management. Between 2013 and 2023, agroforestry tree cover in India increased markedly by over 20%, led by Maharashtra, Rajasthan, and Uttar Pradesh, highlighting its significance in climate mitigation and rural development. Expanding agroforestry with supportive policies can markedly strengthen India's climate action and environmental goals.

3.0 Agroforestry Boosting Rural Employment

Agroforestry significantly boosts employment by generating jobs across its entire value chain, including tree planting, maintenance, production of planting materials, processing of agroforestry products, and the development of rural infrastructure such as irrigation and roads. This system creates livelihood opportunities for both rural and urban populations and supports small and marginal farmers by providing a diversified and resilient income source. In a country where a majority of farmers have small landholdings, agroforestry serves as a vital strategy to enhance farm income, mitigate climate risks, and ensure livelihood security. It also contributes to ecosystem services like soil health, water conservation, and biodiversity, while integrating complementary activities such as apiculture and sericulture to further stabilize rural incomes.

Beyond direct employment, agroforestry stimulates rural economies by increasing farm productivity and creating a broader range of livelihood options, which can help reduce rural-urban migration. The sector demands skilled labor for tasks such as plantation management and product processing, thereby fostering entrepreneurship and the growth of small and micro-enterprises. Encouraged by national

policy priorities advocating tree planting on farmland, agroforestry supports farmers economically and environmentally, strengthening social stability and promoting sustainable rural development through job creation, skill development, and value addition across multiple industries.

A detailed note on each of the points is attached here for your easy reference.

Conclusion

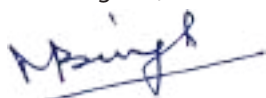
Considering the above, FIPPI respectfully urges the Government of India and the Goods and Service Tax Council to:

- Include all products classified under Chapter 44 and wooden furniture (HSN 9403) under the 5% GST slab.
- Recognize wood's unmatched sustainability and its vital role in climate change mitigation and rural livelihoods.
- Support industry formalization and foster MSME growth through GST rationalization.

Such measures will support agroforestry, empower farmers, strengthen rural economies, reduce import dependence, and further India's commitments on environmental protection and sustainable development.

We trust our representation will receive your favourable consideration.

Thanking You,



Dr. M.P. Singh
Director General

Federation of Indian Plywood and Panel Industry (FIPPI)

Agroforestry: A Sustainable Strategy to Enhance Farmers' Income

1.0 Combining Multiple Farm Enterprises

Agroforestry integrates trees with crops and/or livestock on the same land, enabling farmers to utilize limited land and water resources more efficiently. This synergy optimizes resource use among complementary farm enterprises, boosting both overall productivity and income. Recent data from 2024 and 2025 highlights the significant income uplift Indian farmers receive from timber produced through agroforestry, which diversifies revenue and buffers against crop failures.

The Indian plywood and panel sector, heavily reliant on agroforestry timber, provides small and marginal farmers with stable supplementary earnings without reducing food crop output. Integrating short cycle trees into farming systems thereby helping farmers manage seasonal yield fluctuations and mitigate economic risks.

India currently has around 28.4 million hectares under agroforestry, with the scope to extend beyond 53 million hectares—indicating strong expansion potential. Encouraging policies—such as lowering GST on wood and wood-based products derived from agroforestry—**would incentivize farmers, increase land productivity, promote rural prosperity, and support environmental sustainability.**

2.0 Economic Advantages Over Conventional Cropping

In India's trans-Gangetic plains, traditional rice-wheat cropping predominates. However, research reveals that introducing fast-growing trees like Poplar and Eucalyptus within agroforestry systems can more than double farmers' incomes within seven years compared to conventional rice-wheat cultivation. When income from ecosystem services, such as carbon sequestration, is included, farmers' earnings can potentially triple. For example, a 2018 ICAR study showed:

- Continuous rice-wheat cropping yielded a net income of ₹3,27,703 per hectare over seven years.
- Agroforestry (Poplar + crops) raised this to ₹5,94,811 per hectare over seven years.
- Inclusion of carbon credit income will push net returns to ₹8,98,537 per hectare over seven years.

3.0 Boosting Farmers' Earnings

Agroforestry enhances farm income by diversifying revenue sources through multiple components— crops, trees, and livestock—thereby reducing crop failure risks and improving soil and water health. A comparative snapshot of annual income per acre (in Gujarat) illustrates this:

S. No.	Crop	Income (₹/acre/year)
1	Cotton	38,000 – 40,000
2	Paddy	10,000 – 12,000
3	Wheat	28,000 – 30,000
4	Paddy + Wheat	38,000 – 42,000
5	Sugar Cane	59,000 – 61,000
6	Soyabean	10,000 – 12,000
7	Soyabean + Wheat	38,000 – 42,000
8	Tuar	34,000 – 36,000

S. No.	Agroforestry Crop	Income (₹/acre/year)
1	Eucalyptus	82,000 – 84,000

The Indian government's initiatives aiming at doubling farmers' income underscore the importance of integrated farming systems where agroforestry can play a pivotal role by providing steady income and enhancing livelihoods.

4.0 Crop Diversification and Risk Reduction

Agroforestry facilitates crop diversification beyond staple crops, thus lowering economic risks amid stagnant yields and shrinking profits in traditional agriculture. Trees provide alternative earnings while shielding farmers from price volatility affecting annual crops.

5.0 Environmental and Ecological Gains

Trees in agroforestry systems improve soil health through enhanced nutrient cycling and conserve water, while playing a crucial role in climate change mitigation via carbon sequestration. These ecological benefits indirectly sustain and stabilize farm productivity, ensuring more resilient incomes over time.

6.0 Lowering Imports

Expanding domestic production of high-value timber, such as teak, can replace timber imports worth approximately \$350 million annually. This shift will open new market opportunities for farmers and related sectors, strengthening rural economies.

Summary

Agroforestry stands as a proven, sustainable approach to substantially increase farmers' income by integrating trees within farming landscapes. This diversification not only boosts income and farm resilience but also promotes environmental health. Key enablers include supportive government policies, stable markets for agroforestry products, skill development, focused research, and integration with other agricultural activities. Overcoming challenges like price fluctuations and policy barriers is critical for scaling agroforestry adoption and realizing its full potential for Indian farmers.

Annexure 2

Agroforestry and Sustainability

The Indian Plywood and Panel Industry: Empowering Farmers, Strengthening Rural Economies, and Championing Environmental Sustainability

With nearly 65% of India's population residing in rural areas and about 47% depending on agriculture for their livelihood, strengthening the rural economy is crucial. The Indian Plywood and Panel Industry plays a pivotal role in this by sourcing approximately 92% of its timber from agroforestry. This practice not only supports small and marginal farmers by providing them with additional income but also enhances rural economic resilience and advances environmental sustainability.

1.0 Sustainable Raw Material Sourcing: Empowering Small and Marginal Farmers through Agroforestry

The industry's reliance on agroforestry-based timber offers small and marginal farmers a dependable supplementary income source without compromising the production of food crops. Integrating tree cultivation within agricultural landscapes helps farmers manage seasonal fluctuations in crop yields and reduces their economic vulnerability. Currently, India has around 28.4 million hectares under agroforestry, with the potential to expand beyond 53 million hectares—highlighting a substantial growth opportunity. Policy initiatives that encourage agroforestry—such as lowering GST on wood and wood-based products including timber, plywood, medium-density fiberboard, particleboard, veneers, wooden doors, and furniture—would provide direct incentives to farmers, improve land productivity, and advance rural prosperity alongside environmental conservation.

2.0 Strengthening Rural Economic Resilience through the Indian Plywood and Panel Industry

The sector is a key driver of rural economic activity, especially in regions home to timber processing units. It supports more than one million farmers and generates significant employment throughout the rural supply chain—including harvesting, transportation, and processing. This broad engagement diversifies rural incomes, reducing dependence on conventional agriculture and promoting income stability. By enabling year-round work opportunities and mitigating distress-driven urban migration, the industry contributes substantially to the economic resilience and social stability of rural communities.

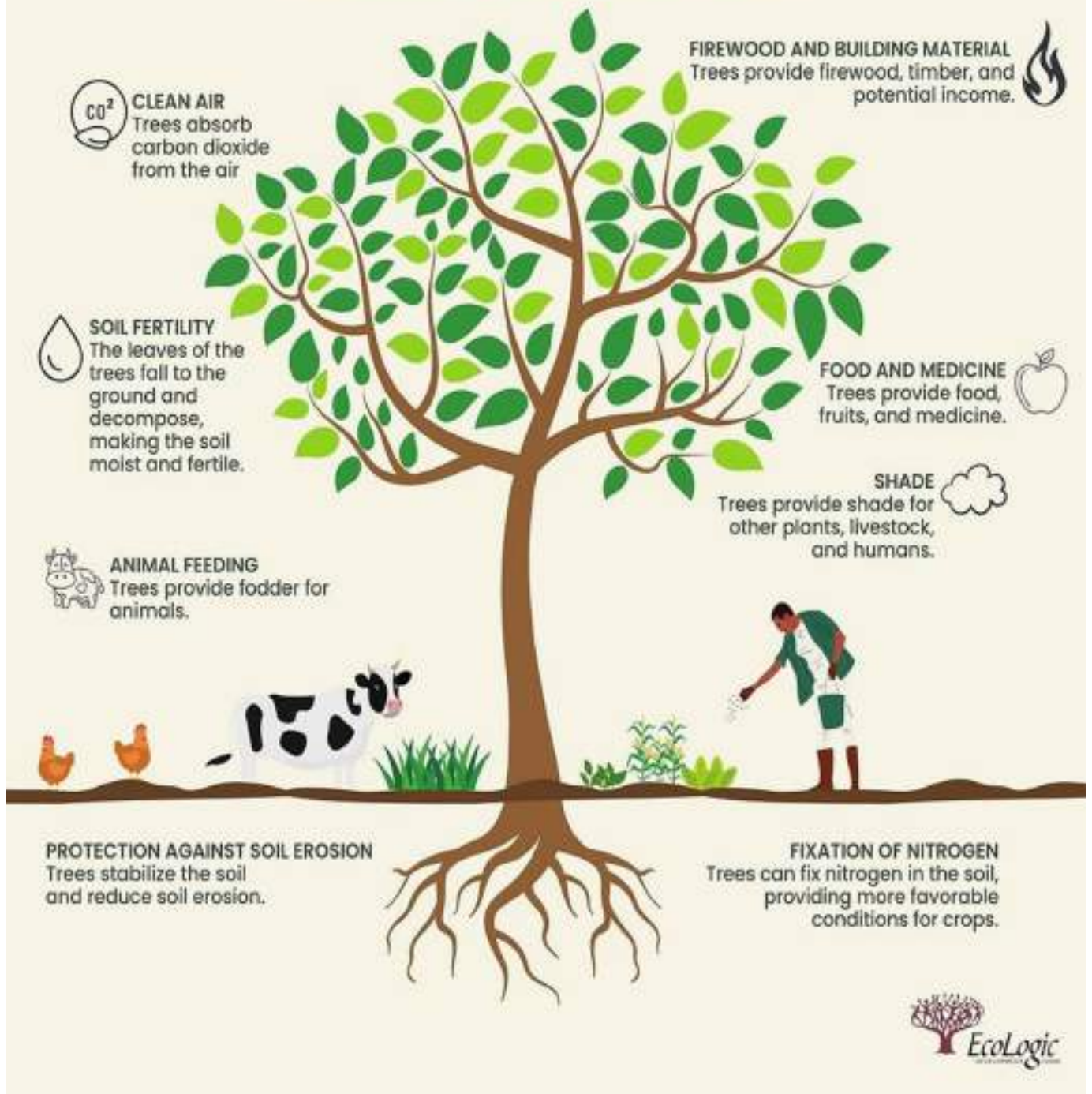
3.0 Advancing Environmental Sustainability via the Indian Plywood and Panel Industry

Trees act as carbon sinks by absorbing atmospheric CO₂, with a large portion of this carbon remaining stored in timber products throughout their use. From structural elements like building frames and doors to furniture and kitchen units, wood retains carbon long after harvesting. When recycled into other durable forms—such as converting timber facades into bio-insulation—the carbon remains securely sequestered. Compared to conventional concrete and steel structures that emit approximately 2,000 metric tons of CO₂, equivalent timber buildings effectively store comparable amounts of carbon. Beyond substituting carbon-intensive materials, timber demand fosters sustainable forest management practices that reduce wildfire risks and protect wildlife habitats, thereby promoting ecosystem health.

4.0 Agroforestry-Driven Environmental Contributions of the Industry

By sourcing timber primarily through agroforestry, the Indian Plywood and Panel Industry significantly boosts environmental sustainability. Expanding agroforestry across rural landscapes enhances carbon sinks, increases carbon sequestration, enriches green cover, and supports circular manufacturing ecosystems. Currently, India's 28.4 million hectares under agroforestry

AGROFORESTRY



sequester approximately 60 to 65 million tonnes of carbon annually. Expanding this area to over 53 million hectares—supported by policy measures such as reduced GST on wood products—could dramatically amplify these environmental benefits and strengthen India’s climate action efforts.

5.0 Growth in Agroforestry Tree Cover

Between 2013 and 2023, tree green cover under agroforestry in India increased from 106,303 km² to 127,590 km², marking a net gain of 21,287 km²—a 20.02% rise at the national level over the decade. Maharashtra led this growth, followed by Rajasthan and Uttar Pradesh, making significant contributions from a carbon credit perspective and reinforcing the role of agroforestry in climate mitigation and rural development.

*Annexure 3****Agroforestry Boosting Employment***

Agroforestry boosts employment by creating jobs across its entire value chain, from production to processing and marketing. Activities like planting and managing trees, producing planting materials, processing agroforestry products, and developing related rural infrastructure generate significant opportunities for rural and urban populations.

Agroforestry as a land use system provides tremendous potential to contribute towards livelihood security and rural development through employment generation. In a country where more than 85 % are small holders and 67 % have only 0.38 hectares to feed their family and generate sufficient income for decent livelihood, desirable diversification in farming system perspective is essential

Adoption of a viable agroforestry system by the farmers is one of the key solutions to face the current challenges of increasing farm income, providing livelihood security and mitigating climate change. Agroforestry has evolved as an assured and important land use system against crop failure as it plays a role in reducing vulnerability, increasing resilience of farming systems and buffering households against climate related risks. In addition to productivity role, it also contributes towards ecosystem services – water, soil health and biodiversity. There are number of options which can be integrated with agroforestry to ensure livelihood security in rural areas, such as apiculture, sericulture, lac cultivation, gum and resin, medicinal and aromatic plants.

Agroforestry has gained its importance with emphasis of Hon'ble Prime Minister on planting trees in farm boundaries for providing livelihood support and economic benefits to the farmers. His emphasis on devoting one third of farmland under tree plantation along with agriculture and animal husbandry will help in providing environmental and economic securities to the farmers.

It also supports small and marginal farmers, promotes food security, and can reduce rural-urban migration by creating sustainable livelihoods.

A. Direct employment and value addition

Planting and maintenance: Agroforestry systems create jobs in the initial planting and ongoing maintenance of trees and crops.

Product processing: It stimulates employment in the processing of products like timber, fodder, and non-timber forest products, increasing their value and marketability.

Manufacturing: There is potential for jobs in biopolymer manufacturing if, for example, rice straw is utilized for producing PLA granules.

Rural infrastructure: The development of necessary rural infrastructure, such as irrigation and roads, also generates employment.

B. Support for small and marginal farmers

Livelihood security: Agroforestry enhances the income and livelihoods of rural households, especially small and marginal farmers, by providing a more diverse and resilient income stream.

Reduced risk: By integrating trees with crops and livestock, it makes production systems more flexible and less vulnerable to crop failure due to extreme weather events.

C. Stimulating rural economies

Increased economic activity: Agroforestry contributes to the economic growth of rural areas by creating jobs, increasing farm productivity, and stimulating economic activity.

Reduced migration: By creating better and more numerous livelihood options, it can help reduce rural-urban migration.

D. Skills and entrepreneurship development

Skill-based jobs: It requires various skills for plantation, management, and processing, creating a demand for a skilled workforce.

Entrepreneurial opportunities: The sector fosters entrepreneurship, especially through small and micro-enterprises involved in adding value to agroforestry products.

Policy-Induced Import Realignment

Analysing India's Plywood and Panel Imports After QCOs (Quality Control Orders) Enforcement

Rishabh Gandhi, Economic Officer, Federation of Indian Plywood & Panel Industry (FIPPI)

1. The QCOs Shift and Early Import Patterns

1.1 Introduction to QCOs

The Indian plywood industry boasts a history spanning over a century, tracing its origins back to 1906–07. Despite this legacy, the sector has faced persistent challenges in recent years. One major concern has been the significant influx of substandard imported products. Another challenge lies in the highly fragmented nature of the industry, with unorganized players accounting for nearly 80% of the sector. Many of these small players operate outside formal quality and taxation frameworks, giving them an undue competitive advantage over organized manufacturers who produce high-quality products and comply with tax obligations. This, in turn, discourages many of these small players from entering the formal ecosystem. Together, these factors have contributed to the widespread availability of substandard plywood and panel products in the Indian market.

The prevalence of low-quality products has not only posed safety risks for end consumers using furniture made from such materials, but also created practical challenges for carpenters, often resulting in rework and wasted time when working with inferior panels.

To address these concerns – safeguarding consumers, creating a level playing field for domestic manufacturers, and reinforcing confidence in carpenters' craftsmanship in line with the Prime Minister Vishwakarma Scheme, 2023 – the Government of India introduced mandatory Quality Control Orders (QCOs) for plywood and panel products, effective February 2025. Under these orders, only products that meet the prescribed minimum quality norms are permitted to enter the Indian market. In the case of imports, only consignments from foreign manufacturers holding a valid BIS (Bureau of Indian Standards) license are permitted to enter the Indian market from March 2025 onwards.

1.2 How QCOs are Transforming the Indian Plywood and Panel Industry

The introduction of mandatory QCOs in February 2025 has marked a significant turning point for the Indian plywood and panel industry. These orders are not merely regulatory requirements; they are reshaping the way the sector operates. They are transforming an import-vulnerable, fragmented manufacturing base into a quality-driven, disciplined, transparent, investment-ready, and globally competitive industry.

By compelling unorganized players to meet prescribed standards, the QCOs are integrating them into the formal

quality and taxation ecosystem, thereby establishing a level playing field for manufacturers who were already compliant. On the import front, the QCOs ensure that only consignments meeting specified quality norms are permitted to enter the Indian market, facilitating a substantial degree of import substitution. With higher-quality products now dominating the market, consumer confidence is on the rise. This, in turn, is enabling domestic manufacturers to increase production and further invest in capacity augmentation.

1.3 India's Plywood and Panel Imports Before QCOs

In the period leading up to the QCOs, India's imports of plywood, MDF, and particle board exhibited markedly different trends, highlighting the unique dynamics of each segment. The monthly trend from April 2017 to February 2025 (just before QCO enforcement) shows that plywood imports increased sharply over the years, reflecting a huge surge in demand that was largely met through imports. India imported plywood (products classified under HSN 4412) worth a monthly average of ₹60 crore in FY18, which rose more than three-and-a-half times to a monthly average of ₹214 crore in FY25 before the QCOs (Apr 2024–Feb 2025).

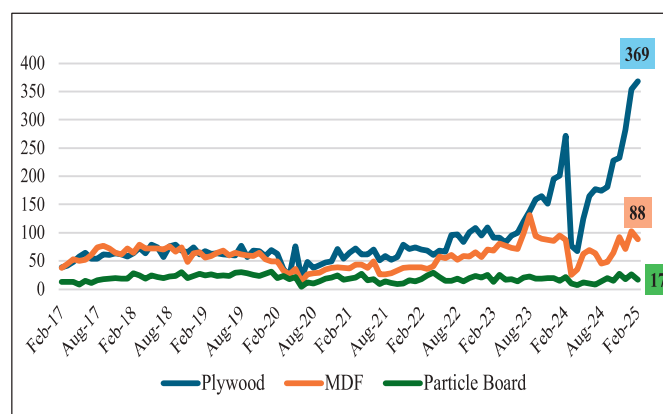


Figure 1: Monthly Trend of Plywood, MDF & Particle Board Imports Pre-QCOs (in ₹ crore).

In contrast, imports of MDF (products classified under HSN 4411) remained relatively stable, rising only slightly from a monthly average of ₹65 crore in FY18 to ₹67 crore per month in FY25 before the QCOs. Imports of particle board (products classified under HSN 4410), meanwhile, showed a slight decline over this period, falling from a monthly average of ₹17 crore in FY18 to ₹16 crore per month before the QCOs.

1.4 Early Post-QCOs Trends in India's Plywood and Panel Imports

The early post-QCOs period indicates a sharp and

immediate realignment in India’s plywood and panel imports. Across different segments, the most pronounced adjustment was observed in plywood, which had exhibited the steepest upward trend during the pre-QCOs period. Compared with India’s plywood imports, which averaged ₹214 crore per month in FY25 prior to the enforcement of the QCOs (Apr 2024–Feb 2025), imports declined sharply to a monthly average of ₹52 crore in the post-QCOs period (Mar 2025–Dec 2025).

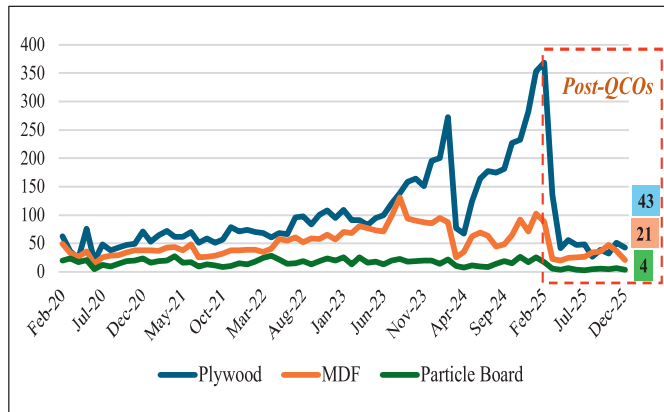


Figure 2: Monthly Trend of Plywood, MDF & Particle Board Imports Pre & Post QCOs (in ₹ crore).

Imports of MDF and particle board also moderated in the early months following the implementation of the QCOs, relative to their respective pre-QCOs trends. India’s MDF imports, which averaged ₹67 crore per month in FY25 prior to the QCOs, declined to a monthly average of ₹29 crore in the post-QCOs period. A similar adjustment was observed in the particle board segment, where imports fell from a pre-QCOs monthly average of ₹16 crore to around ₹5 crore per month after QCO enforcement.

2. Plywood Imports Under the QCOs Regime

2.1 Plywood Imports Post-QCOs: Trends and Source Countries

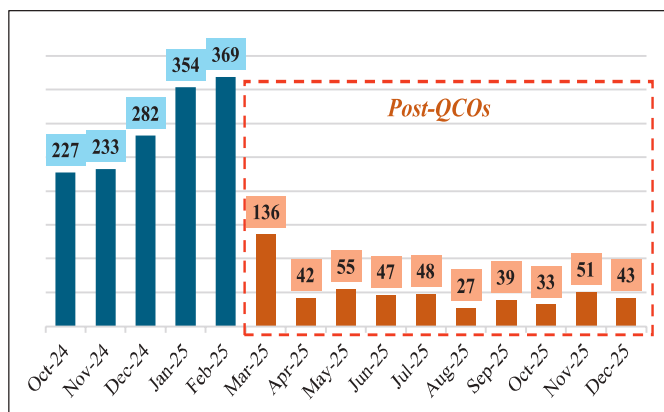


Figure 3: Monthly Trend of India’s Plywood Imports (in ₹ crore).

During the last financial year, in the months leading up to the enforcement of the QCOs, monthly plywood imports exhibited a sharp uptrend, rising to a peak of ₹369 crore in February 2025. This trend signals a substantial influx of imports of substandard products, alongside aggressive

stockpiling by importers ahead of the QCOs enforcement deadline. However, with the QCOs in place, plywood imports fell sharply to ₹136 crore in March and continued to decline in the subsequent months, reaching a level of ₹43 crore in December 2025.

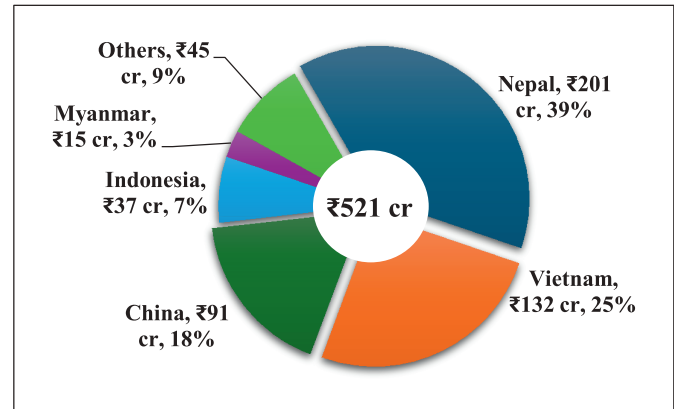


Figure 4: Share of Source Countries in India’s Plywood Imports Post-QCOs (Mar - Dec 2025).

Following the implementation of the QCOs, India imported plywood products worth ₹521 crore between March and December 2025. In this post-QCOs period, Nepal emerged as the top source country, accounting for a substantial share of about 39% of India’s plywood imports. It was followed by Vietnam and China, which also emerged as leading sources, capturing shares of 25% and 18%, respectively.

However, as per information available on the BIS portal about licensees under the Foreign Manufacturers Certification Scheme as on 15th January 2026, 16 foreign manufacturers—all based in Nepal—are listed as having been granted BIS licences for plywood products. This highlights a clear contrast with Vietnam and China, which emerged as leading source countries for India’s plywood imports in the post-QCOs period despite no manufacturer from either country having been granted a BIS licence for any category of plywood. The continued inflow of imports from such unlicensed source countries points to areas where risks of non-compliance are most pronounced and where enforcement scrutiny assumes critical importance.

Table 1: List of Foreign Manufacturers Holding BIS Licences for Plywood Products (as per BIS portal, as on 15th January 2026)

S. No.	Manufacturer Name	Country	Plywood Product Standard(s) for Which BIS Licence Has Been Issued
1	Ambey Bhawani Ply Board Udhyog	Nepal	IS 303: 2024, IS 2202 (Part 1):2023
2	Bhagwati Laminates		IS 303: 2024
3	Bhawani Tea Chest Industries		IS 303: 2024
4	Century Ply Industries		IS 303: 2024, IS 710: 2024

5	Everest Veneers	Nepal	IS 303: 2024
6	Ganapati Veneer Tatha Plywood Udhogy		IS 303: 2024
7	Greenply Industries		IS 303: 2024, IS 710: 2024
8	Jhapa Veneer and Plywood Udhogy		IS 303: 2024
9	Puja Plywood Industries		IS 303: 2024
10	Sanjibani Plywood Udhogy		IS 303: 2024
11	Sawariya Plywood		IS 303: 2024
12	Shakambhari Plywood Industries		IS 303: 2024
13	Shanta Plywood		IS 303: 2024, IS 2202 (Part 1):2023
14	Shyam Plywood Industries		IS 303: 1989
15	Sriram Panel Product		IS 303: 2024
16	Tirupati Wood Panel Industries		IS 303: 1989

Note: IS 303 pertains to general-purpose plywood, IS 710 to marine plywood, and IS 2202 (Part 1) to flush door shutters.

Despite no plywood manufacturer from Vietnam or China having been issued a BIS license in the post-QCOs period, both countries continued to export plywood of substantial value to India—highlighting gaps in enforcement at Indian entry points.

2.1.1 Plywood Imports from Vietnam Post-QCOs

A deeper examination of plywood imports from Vietnam in the early post-QCOs period indicates a steep and sustained downward trend following the implementation of the QCOs. Immediately after the QCOs came into force, plywood imports from Vietnam declined sharply to ₹60 crore in March 2025 and continued to contract in the subsequent months, falling to a level of ₹7 crore by December 2025. Notably, while the overall volume of plywood imports from Vietnam reduced significantly after the implementation

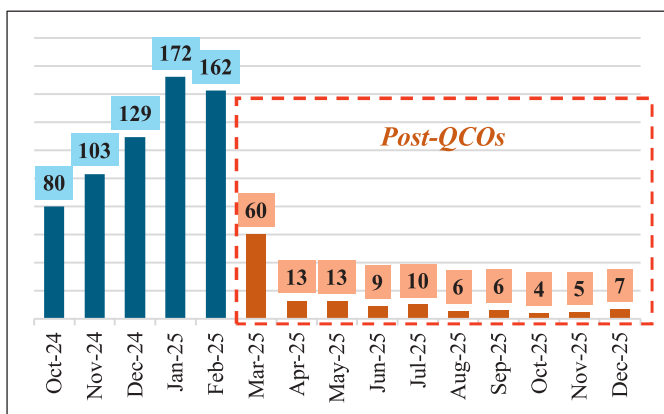


Figure 5: Monthly Trend of Plywood Imports from Vietnam (in ₹ crore).

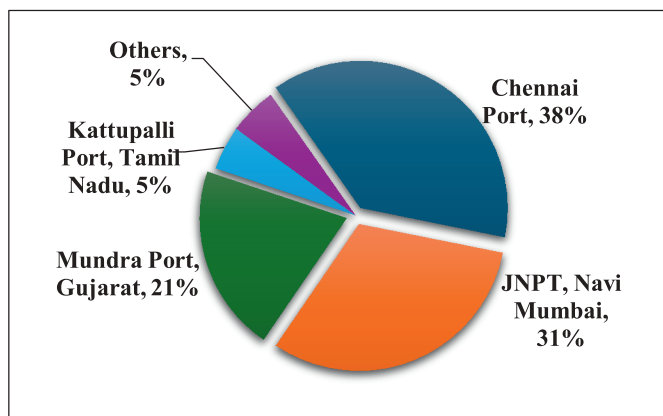


Figure 6: Share of Arrival Ports for Plywood Imports from Vietnam Post-QCOs (Mar - Dec 2025).

of the QCOs, no plywood manufacturer from Vietnam was issued a BIS licence in the post-QCOs period, even as imports from the country continued during this phase.

Further, an arrival-port-wise assessment of plywood imports from Vietnam reveals a high degree of concentration at a limited number of Indian entry points during the post-QCOs period (Mar 2025–Dec 2025). Chennai Port emerged as the largest entry point, handling about 38% of plywood imports arriving from Vietnam in this period. It was followed by the Jawaharlal Nehru Port (Nhava Sheva) in Navi Mumbai, which accounted for around 31% of imports, and Mundra Port in Gujarat, which handled about 21%. Kattupalli Port in Tamil Nadu, with a share of about 5%, also emerged as a key entry point for plywood imports arriving from Vietnam after the implementation of the QCOs.

2.1.2 Plywood Imports from China Post-QCOs

An in-depth examination of plywood imports from China reveals a pattern similar to that observed in the case of Vietnam in the early post-QCOs period. Immediately following the implementation of the QCOs, plywood imports from China declined sharply from ₹53 crore in February 2025 to ₹23 crore in March 2025 and continued to contract in the subsequent months, reaching a level of ₹5 crore by December 2025. It is important to emphasise that while overall plywood imports from China reduced

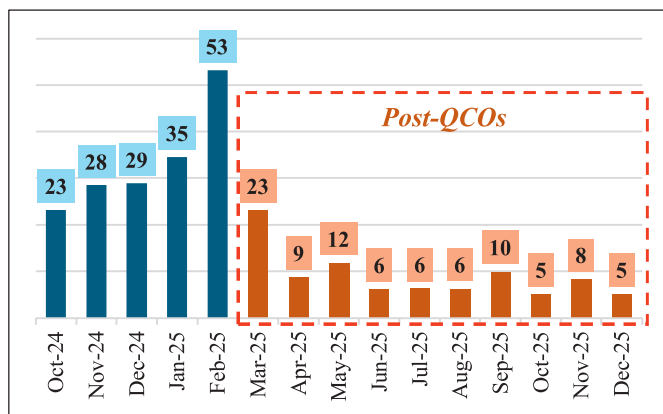


Figure 7: Monthly Trend of Plywood Imports from China (in ₹ crore).

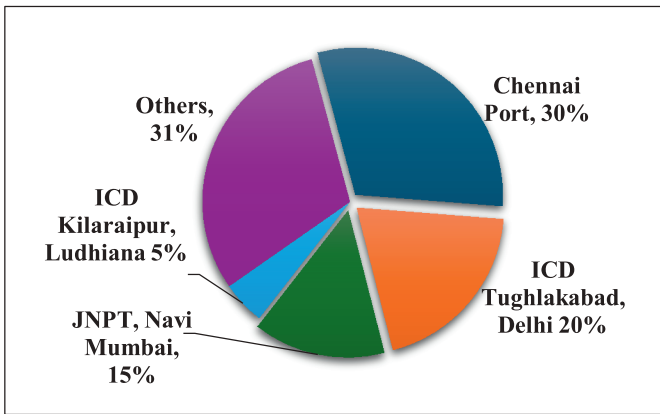


Figure 8: Share of Arrival Ports for Plywood Imports from China Post-QCOs (Mar - Dec 2025).

significantly after the enforcement of the QCOs, no plywood manufacturer from China was issued a BIS licence in the post-QCOs period, even as imports from the country continued during this phase.

Further, an arrival-port-wise analysis of plywood imports from China indicates the emergence of Chennai Port as the largest entry point in the post-QCOs period (Mar 2025–Dec 2025), accounting for about 30% of total plywood imports from China. It was followed by the Inland Container Depot (ICD) Tughlakabad in Delhi, which handled around 20% of imports, and the Jawaharlal Nehru Port (Nhava Sheva) in Navi Mumbai, which accounted for about 15%. The Inland Container Depot (ICD) Kilaraipur in Ludhiana, with a share of around 5%, also emerged as a notable entry point for plywood consignments arriving from China after the implementation of the QCOs.

3. MDF Imports Under the QCOs Regime

3.1 MDF Imports Post-QCOs: Trends and Source Countries

During the last financial year, in the months immediately preceding the enforcement of the QCOs, monthly MDF imports reached a peak of ₹103 crore in January 2025, signalling substantial stockpiling by importers ahead of the QCOs enforcement deadline.

The post-QCOs trend in MDF imports, however, contrasts with the pattern observed in the plywood segment. While

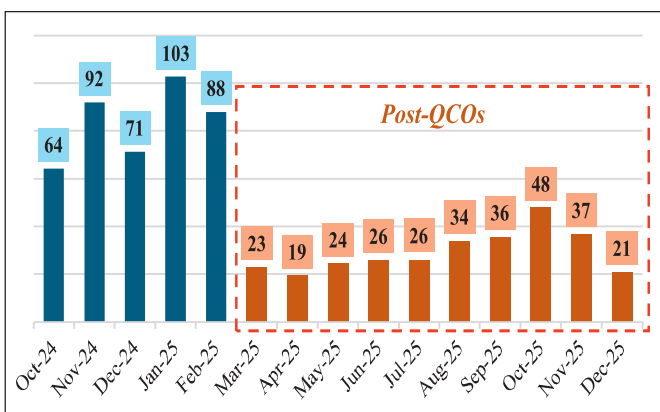


Figure 9: Monthly Trend of India's MDF Imports (in ₹ crore).

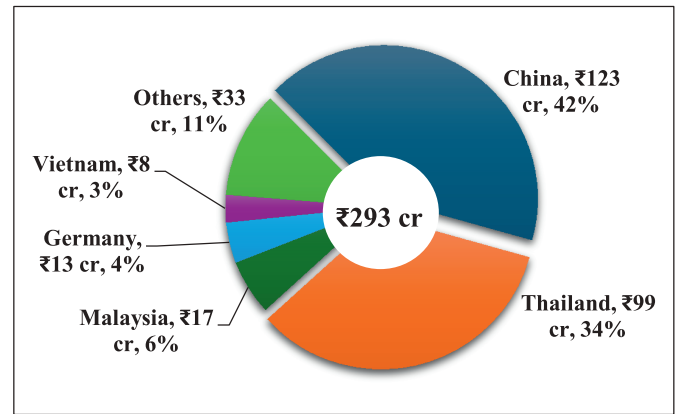


Figure 10: Share of Source Countries in India's MDF Imports Post-QCOs (Mar - Dec 2025).

plywood imports declined sharply immediately after the implementation of the QCOs and continued to contract in the subsequent months, MDF imports exhibited only a partial adjustment. Following the enforcement of the QCOs, MDF imports fell sharply to ₹23 crore in March 2025 and further to ₹19 crore in April 2025 but did not display a sustained downward trajectory thereafter. Instead, imports recovered in the subsequent months, rising to a level of ₹48 crore in October 2025, before moderating again to ₹21 crore by December 2025.

In the post-QCOs period (Mar–Dec 2025), India imported MDF products valued at around ₹293 crore. China emerged as the largest source country during this period, accounting for about 42% of India's total MDF imports, followed by Thailand at around 34% and Malaysia at approximately 6%.

However, data available on the BIS portal about licensees under the Foreign Manufacturers Certification Scheme shows that, till date, only two foreign manufacturers—one based in Thailand and another in Malaysia—have been granted BIS licences for MDF products. This contrasts with the plywood segment, where some manufacturers from the largest source country in the post-QCOs period—Nepal—have been issued BIS licences. In the MDF segment, however, no manufacturer from the largest source country—China—has been granted a BIS licence, despite accounting for the dominant share of India's MDF imports in the post-QCOs period. This raises serious questions regarding the effectiveness of QCO enforcement in the MDF segment.

Table 2: List of Foreign Manufacturers Holding BIS Licences for MDF Products (as per BIS portal, as on 15th January 2026).

S. No.	Manufacturer Name	Country	MDF Product Standard(s) for Which BIS Licence Has Been Issued
1	Vanachai Panel Industries	Thailand	IS 12406: 2021
2	Robin Resources SDN BHD	Malaysia	IS 12406: 2021

Note: IS 12406 pertains to general-purpose MDF.

China remains the largest source country for India's MDF imports in the post-QCOs period, despite no manufacturer from China having been issued a BIS license for MDF in the post-QCOs period—pointing to serious gaps in the enforcement of QCOs.

3.1.1 MDF Imports from China Post-QCOs

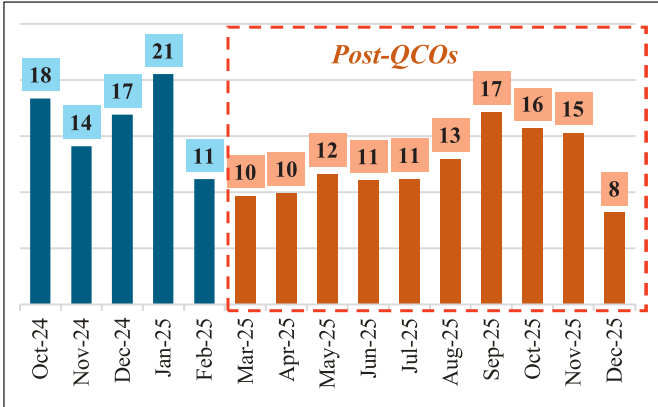


Figure 11: Monthly Trend of MDF Imports from China (in ₹ crore).

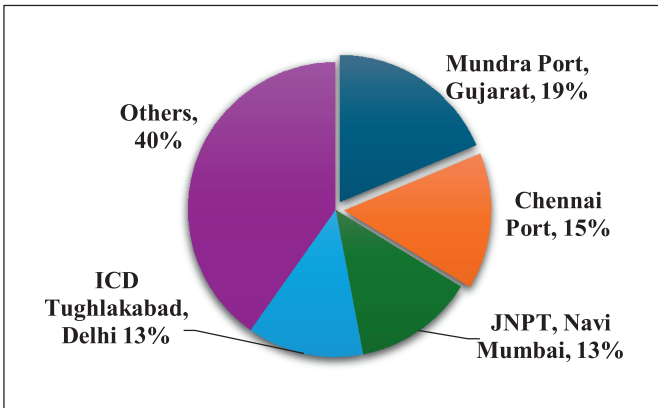


Figure 12: Share of Arrival Ports for MDF Imports from China Post-QCOs (Mar - Dec 2025).

A deeper examination of MDF imports from China—the largest source country in the post-QCOs period—reveals a contrasting trend when compared with the plywood segment. In the case of plywood, imports from leading source countries such as Vietnam and China, from where no manufacturer was issued a BIS licence in the post-QCOs period, declined sharply and persistently following the implementation of the QCOs. In contrast, MDF imports from China—another source country with no BIS licence issuance in the post-QCOs period—remained broadly stable even after the implementation of the QCOs. MDF imports from China stood at around ₹10 crore in March 2025 and remained at comparable levels for several months, before rising to a post-QCOs peak of ₹17 crore in September 2025 and moderating to ₹8 crore by December 2025. The persistence of MDF imports from China at levels comparable to the pre-QCOs period, despite the absence of any BIS licence issuance post-QCOs, points to a more concerning enforcement challenge in the MDF segment than that observed in the plywood segment.

Further, an arrival-port-wise analysis of MDF imports from China during the post-QCOs period (Mar 2025–Dec 2025) indicates a relatively dispersed pattern across Indian entry points. Mundra Port in Gujarat emerged as the largest entry point, handling about 19% of MDF imports from China during this period. It was followed by Chennai Port, which accounted for around 15% of imports. The Jawaharlal Nehru Port (Nhava Sheva) in Navi Mumbai and the Inland Container Depot (ICD) Tughlakabad in Delhi also emerged as key entry points, each handling about 13% of MDF consignments arriving from China in the post-QCOs period.

4. Particle Board Imports Under the QCOs Regime

4.1 Particle Board Imports Post-QCOs: Trends and Source Countries

Consistent with the patterns observed in the plywood and MDF segments, India's particle board imports registered elevated levels in the months immediately preceding the enforcement of the QCOs, indicating stockpiling by importers ahead of the regulatory deadline. This is reflected in the import data, with monthly particle board imports rising to ₹26 crore in January 2025.

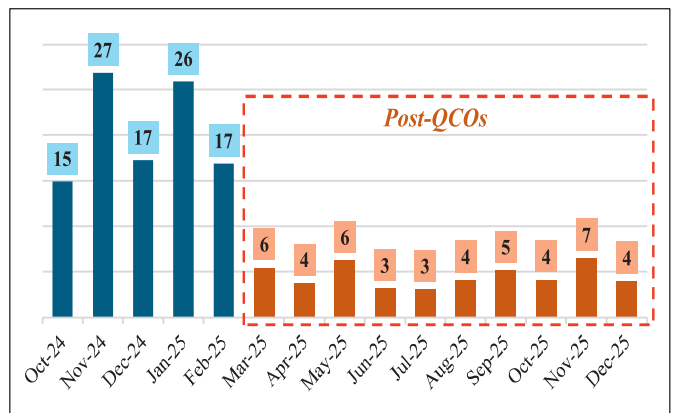


Figure 13: Monthly Trend of India's Particle Board Imports (in ₹ crore).

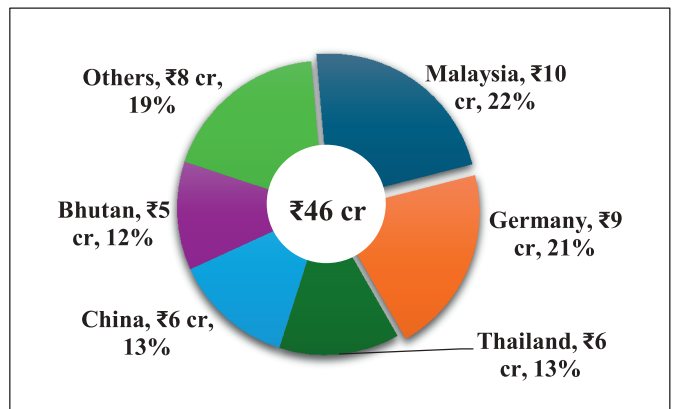


Figure 14: Share of Source Countries in India's Particle Board Imports Post-QCOs (Mar - Dec 2025).

Following the enforcement of the QCOs, particle board imports declined sharply from ₹17 crore in February 2025 to ₹6 crore in March 2025. Thereafter, unlike plywood imports—which continued to contract—and MDF imports—which

exhibited a partial recovery before moderating, particle board imports remained relatively stable at a lower base throughout the post-QCOs period. Monthly imports largely ranged between ₹3–7 crore, with imports standing at ₹4 crore in December 2025.

Following the implementation of the QCOs, India imported particle board products worth about ₹46 crore during the post-QCOs period (Mar–Dec 2025). Unlike the plywood and MDF segments—where imports are concentrated among a few leading source countries—particle board imports in the post-QCOs period were relatively more diversified across multiple source countries. Malaysia emerged as the largest source, accounting for around 22% of India’s particle board imports during this period, followed closely by Germany with a share of about 21%. Thailand and China each accounted for approximately 13% of imports, while Bhutan contributed around 12% of total particle board imports in the post-QCOs period.

However, data available on the BIS portal under the Foreign Manufacturers Certification Scheme as on 15th January 2026 shows that only one foreign manufacturer—based in Bhutan—has been issued a BIS licence for particle board products. This makes the particle board segment structurally more concerning when compared with plywood and MDF. In the plywood segment, the largest source country in the post-QCOs period has manufacturers that have been issued BIS licences. In the MDF segment, while the largest source country does not have any BIS-licensed manufacturer, the second- and third-largest source countries—Thailand and Malaysia—have each been issued one BIS licence. In contrast, in the particle board segment, the only BIS-licensed manufacturer is based in Bhutan, which ranks fifth among India’s source countries. The absence of BIS licence issuance among the leading source countries for particle board imports highlights a deeper enforcement gap in this segment after the implementation of the QCOs.

Table 3: List of Foreign Manufacturers Holding BIS Licences for Particle Board Products (as per BIS portal, as on 15th January 2026).

S. No.	Manufacturer Name	Country	Particle Board Product Standard(s) for Which BIS Licence Has Been Issued
1	Bhutan Board Products	Bhutan	IS 3087: 2005, IS 12823: 2015

Note: IS 3087 covers general-purpose particle boards, while IS 12823 covers prelaminated particle boards, both made from wood & other lignocellulosic materials.

Bhutan—the only foreign country where a manufacturer has been issued a BIS license for particle board—ranks fifth among source countries for India’s particle board imports post-QCOs, highlighting the most pronounced enforcement gap across wood panels despite QCOs being in place.

5. Conclusion and Policy Implications

The post-QCOs import trends across plywood, MDF, and particle board indicate that the introduction of the QCOs has triggered a visible realignment in India’s plywood and panel imports, particularly by disrupting the unchecked inflow of low-quality products seen in the pre-QCOs period. The sharp decline observed in plywood imports immediately after the QCOs enforcement reflects the immediate impact of regulatory intervention. However, this correction in import volumes should not be interpreted as evidence that all post-QCOs imports are compliant or originate solely from BIS-licensed foreign manufacturers, as imports from source countries without licence issuance have continued across segments.

At the same time, the analysis demonstrates that the response to the QCOs enforcement has varied across product categories. While plywood imports adjusted sharply, MDF imports showed only a partial correction, with sustained inflows from the largest source country despite no BIS licence issuance in the post-QCOs period. The particle board segment presents an even more pronounced concern, where leading source countries lack any licensing footprint, pointing to a structural enforcement challenge rather than isolated instances of circumvention.

Taken together, these findings suggest that the effectiveness of the QCOs depends not only on the regulatory framework itself, but also on the consistency and depth of enforcement at Indian entry points. Strengthening coordination between licensing authorities and customs, improving scrutiny in segments with persistent imports from unlicensed source countries, and continuously monitoring post-QCOs import behaviour will be essential to ensure that the QCOs translate into sustained quality compliance and fair competition within India’s plywood and panel industry.

Sources:

- DGCI&S, Ministry of Commerce (HSN Codes 4412, 4411 & 4410)
- BIS Foreign Manufacturers Certification Scheme (FMCS) licensee database. □



FIPPI Urges Enactment of National Agroforestry Act & Budgetary Incentives via Direct Benefit Transfer (DBT) for Farmers Growing Industrial Timber Species in the Union Budget 2026–27



FEDERATION OF INDIAN PLYWOOD & PANEL INDUSTRY

REGISTERED UNDER THE SOCIETIES REGISTRATION ACT XXI OF 1860, REGN. NO. S/2985/1968-69 DT. 4.1.1969

1005, VIKRANT TOWER, 4, RAJENDRA PLACE, NEW DELHI 110 008, INDIA

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FIPPI/Budget6/2025-26

November 30, 2025

To,
The Secretary
Department of Agriculture & Farmers Welfare
Ministry of Agriculture & Farmers Welfare
Krishi Bhawan, New Delhi.

Subject: Request for Enactment of National Agroforestry Act and Budgetary Incentives via DBT for Farmers Growing Industrial Timber Species – Recommendations for Union Budget 2026–27.

Respected Sir,

At the outset, we take this opportunity to introduce the Federation of Indian Plywood and Panel Industry (FIPPI) – the apex body representing manufacturers and regional associations engaged in the production of plywood, medium-density fibreboard (MDF), and particle board across India. FIPPI serves as the principal voice of the industry in policy and regulatory deliberations, working to advance sectoral interests and promote sustainable and competitive growth.

We wish to inform you that FIPPI has submitted its detailed recommendations for consideration under the Union Budget 2026–27 to the Office of the Economic Adviser, DPIIT. In continuation of this submission, we seek to draw your kind attention to the regulatory constraints that are limiting the full potential of agroforestry in India and, in turn, hindering the effective implementation of the National Agroforestry Policy, 2014.

The Indian plywood and panel industry has transitioned from a forest-based sector to a fully wood-based industry, relying heavily on timber sourced from agroforestry to meet its raw material needs. However, the industry still faces difficulties in meeting its sourcing requirements due to restrictive and non-uniform regulations on the felling, transit, and sale of trees grown on private farmland. Under the Indian Forest Act, 1927—specifically Chapter I, Section 2, Clauses 4(a) and 6—any tree grown on private farmland is classified as “timber” once felled and considered “forest produce.” Even legally cultivated timber faces complex and inconsistent regulations across state borders, while ownership and transit rules vary between states and are frequently amended. This regulatory fragmentation discourages farmers from engaging in tree cultivation at scale, limiting the steady availability of farm-grown wood and hindering the objectives of the National Agroforestry Policy, 2014.

In view of the above, FIPPI respectfully urges the Government of India to enact a National Agroforestry Act in the Union Budget 2026–27 and to introduce budgetary incentives via Direct Benefits Transfer (DBT) for farmers growing industrial timber species.

I. Need for a National Agroforestry Act:

A dedicated Act is required to recognize farm-grown timber as distinct from forest produce, safeguard farmers’ rights, remove legal and procedural hurdles, and enable large-scale nationwide adoption of agroforestry practices, thus operationalizing the National Agroforestry Policy, 2014. The Act will empower farmers to:

- **Use robust IT systems for farmer registration:** Farmers and industries will register plantations through a geo-tagged digital platform, ensuring accuracy, transparency, and strengthening the Digital India initiative.
- **Enable verification and direct transfer of incentives:** After geo-verified inspection, subsidies and incentives will be directly transferred to farmers, ensuring timely and corruption-free support and supporting the vision of Less Government, More Governance.
- **Improve traceability:** Digital records of plantations will create an end-to-end traceability system for timber movement, strengthening compliance and easing industrial processes.
- **Support participation in carbon credit markets:** Verified plantation data will enable farmers and industries to participate in carbon credit trading, unlocking new income streams, promoting environmental sustainability, and helping the nation achieve its Net Zero Carbon goals.

II. Need for Direct Benefits Transfer (DBT):

Direct Benefits Transfer will strengthen rural incomes, empower women, and encourage industrial tree plantations, supporting key national initiatives such as National Mission for Sustainable Agriculture, Har Med Par Ped Campaign, and National Mission for Green India. This support will provide sustainable raw materials for the wood-based and furniture industries, enhance environmental restoration, and ensure farmers benefit directly while contributing to a greener and more competitive economy.

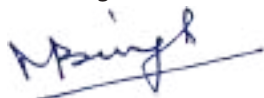
Adequate budgetary support through DBT can expand agroforestry coverage from 20 lakh hectares to 50 lakh hectares over the next five years, securing sufficient timber supply for the growing plywood and panel sector, substituting imports, boosting export potential of the sector, ultimately supporting Make in India.

We respectfully request your esteemed department to take this proposal forward with the Ministry of Finance for consideration in the Union Budget 2026–27, thereby advancing agroforestry, strengthening the Indian wood-based industry, and reinforcing the nation's climate mitigation efforts.

For your kind consideration, we are also sharing a suggested draft for the Hon'ble Finance Minister's Union Budget speech:

"Through robust IT system and direct benefit transfer under the Agroforestry Act, we will expand industrial tree plantations, raise farmers income and create 2 million jobs in five years, empowering communities, supporting the wood and furniture industry and delivering major environmental gains, and advancing India's Net Zero Carbon Goals."

Thanking You,



Dr. M.P. Singh
Director General
Federation of Indian Plywood and Panel Industry (FIPPI)

Launching of Report of the Sandalwood Development Committee

The Report of the Sandalwood Development Committee was launched on 15th October 2025, in an event sponsored by the Federation of Indian Plywood & Panel Industry (FIPPI). The event was chaired by Shri Ratan P. Watal, Former Finance Secretary, Government of India, and attended by Shri Rajesh Mittal, Chairman & Managing Director, Greenply Industries Limited and President, FIPPI, along with representatives from various Central Government ministries and departments. The Committee, comprising members from key ministries and research institutions, has outlined a detailed roadmap for the development and revitalization of the Indian Sandalwood sector, highlighting its potential to generate rural employment, boost export earnings, and advance India's self-reliance (Atmanirbharta)



in meeting the nation's sandalwood requirements. □

National Workshop on Agroforestry – based Carbon Offset Projects in India



The Indian Council of Forestry Research and Education (ICFRE), Dehradun, under a project sponsored by the Federation of Indian Plywood & Panel Industry (FIPPI) titled "Developing Methodology for Agroforestry-based Carbon Offset Projects in India," successfully organized a National Workshop on 29th October 2025.

The workshop was graced by the presence of:

- Mr. Jaydeep Chitlangia, Senior Vice President, FIPPI
- Dr. M.P. Singh, Director General, FIPPI
- Dr. C.N. Pandey, Senior Technical Advisor, FIPPI
- Mr. Ajay Kumar, Senior Economic Policy Advisor, FIPPI
- Mr. J.K. Jain, Senior Sustainability Advisor, FIPPI

The event brought together industry leaders, researchers, and policymakers to deliberate on the role of agroforestry in carbon offsetting, highlighting opportunities



for sustainable growth and environmental stewardship within the plywood and panel industry.

A meaningful step towards a low-carbon and sustainable future for India's wood-based sector. □

Engagement with the New Zealand High Commission



A delegation from the Federation of Indian Plywood & Panel Industry (FIPPI) held a productive meeting with officials from the New Zealand High Commission on 17 November 2025 to explore opportunities for strengthening bilateral collaboration in the timber and panel sector.

The discussion covered India's growing timber demand, the existing demand–supply gap, and the significant scope for expanding log and veneer trade between India and New Zealand. FIPPI highlighted the fast-growing Indian plywood, MDF, and particle board markets and underscored



the importance of reliable international partners to support future industry requirements.

FIPPI looks forward to deeper engagement and mutually beneficial partnerships that can support the long-term growth and sustainability of the wood and panel industry in both countries. □

Seminar on “Decoding Quality Control Orders (QCOs)”

FIPPI was glad to attend the seminar on “Decoding Quality Control Orders (QCOs)” organised by RIS on 18 November 2025



The seminar offered a forward-looking and strategic view of India's evolving quality and regulatory ecosystem. It brought together policymakers, industry leaders and consumer bodies to deliberate on the role of QCOs in enabling India to achieve its goal of Viksit Bharat by 2047.

The discussions highlighted that Indian Standards



should be recognised globally to strengthen India's export competitiveness and support the national target of achieving USD 1 trillion in merchandise exports by 2030.

FIPPI welcomes such platforms for knowledge exchange and remains focused on driving quality, competitiveness and growth in the plywood and panel sector. □

Strategic Meeting with the Director General, Bureau of Indian Standards



A meeting with Mr. Sanjay Garg, Director General, Bureau of Indian Standards, was held on 24 November 2025 at 10:30 AM in New Delhi to discuss key challenges related to the implementation of Quality Control Orders (QCOs) for the Plywood & Panel Industry.

Delegation led by:

1. Dr. M. P. Singh – Director General, FIPPI
2. Dr. Prasanth M. A. – President, SIPMA; Director, A.K. Appleply, Mangalore
3. Mr. Mujeeb Rahman – President, All Kerala Plywood & Block Board Manufacturers Association

4. Mr. Sandeep Gupta – General Secretary, UK-UP Plywood Manufacturers Association
5. Mr. Manoj Gwari – General Secretary, Wood Technologist Association
6. Dr. Richa Bansal – Assistant Director, FIPPI

The meeting was positive, constructive, and solutions-oriented.

DG Mr. Sanjay Garg acknowledged the industry's concerns, agreed with most of the key requests, and assured proactive measures to address them.

Key Agenda Points Discussed:

1. Enhanced support for MSMEs
2. Simplified SIT procedures for micro units
3. Challenges in the licensing process
4. Marking fee concessions for small manufacturers
5. Measures to curb misuse of the ISI mark
6. Guidelines for disposal of non-conforming stock
7. Reduced sampling frequency for MSMEs
8. Issues related to imported materials and compliance. □

Strategic Discussion with the Taiwan External Trade Development Council

Dr. M.P. Singh, Director General of the Federation of Indian Plywood & Panel Industry (FIPPI), held an insightful discussion with representatives from the Taiwan External Trade Development Council (TAITRA) — Mr. Vincent Lin, Director, along with Ms. Nandini and Mr. Puneet Dureja, Trade Promotion Specialists — on 7th October 2025.

The conversation focused on exploring potential avenues for collaboration between India and Taiwan, including trade delegations, business matchmaking, and technology partnerships, aiming to foster stronger cooperation and mutual growth.

This engagement represents a significant step toward fostering stronger cooperation between Taiwan and India in the plywood and panel sector, opening avenues



for enterprises from both countries to collaborate and innovate. □

India and Sustainability Standards (ISS) 2025 Summit



The 12th Edition of the Indian and Sustainability Standards (ISS) 2025 Summit, Organised by the Centre for Responsible Business, brought together key stakeholders to discuss emerging priorities in responsible and sustainable practices.

Dr. M.P. Singh, Director General, FIPPI was invited to represent the Federation of Indian Plywood & Panel Industry (FIPPI) in the session titled “Sustainability Initiatives for Forest Risk Commodities in India: Opportunities and Challenges,” co-hosted by the Earthworm Foundation and supported by the Roundtable on Sustainable Palm Oil (RSPO).

During the session, Dr. Singh emphasized the need to

strengthen traceability and develop a sustainable supply chain for timber in India. He also highlighted that India faces limited deforestation risks owing to its strict laws and regulatory framework.

FIPPI remains committed to advancing responsible forestry, promoting sustainability, and supporting a resilient and transparent timber value chain across the country. □

Agriwood Transformation : Forest – Based Industries to Wood – Based Industries



Dr. M.P. Singh Presented on Wood Transformation Potential in India at 14th Annual Project Directors' Meeting in Forestry Sector Ministry of Environment, Forest & Climate Change, Government of India on behalf of Federation of Indian Plywood and Panel Industry - FIPPI.

This initiative highlights the urgent need to bridge India's widening timber demand–supply gap and emphasizes agroforestry as a sustainable and scalable solution. By promoting farm-grown timber and wood-

based industries, India can reduce its import dependence, empower farmers, and unlock immense opportunities for growth in construction, furniture, and allied sectors.

Key Focus Areas:

- Leveraging agroforestry to strengthen domestic wood supply
- Encouraging use of timber as a green, renewable construction material
- Introducing frameworks for National Timber Policy and Agroforestry (Promotion and Facilitation) Act, 2025
- Enhancing carbon credit and green credit mechanisms for sustainable practices
- Moving towards a self-reliant and environmentally responsible wood industry

FIPPI continues to work towards a sustainable and resilient future for India's wood and panel sector, supporting innovation, policy advocacy, and green growth.

“Use More Wood, Grow More Wood.” □



FEDERATION OF INDIAN PLYWOOD
AND PANEL INDUSTRY

Together we are stronger!

Our Primary Members

- 1 AK Apple Ply Pvt. Ltd.
- 2 Amazon Wood Pvt. Ltd.
- 3 Amulya Mica Industries Pvt. Ltd.
- 4 Archidply Industries Ltd.
- 5 Austin Plywood Pvt. Ltd.
- 6 Balaji Action Buildwell Pvt. Ltd.
- 7 Birmi Wood Products
- 8 Century Plyboards (India) Ltd.
- 9 Duroply Industries Ltd.
- 10 E3 Panels Pvt. Ltd.
- 11 Everest Ply & Veneers (P) Ltd.
- 12 Gattani Industries
- 13 Greenlam Industries Ltd.
- 14 Greenpanel Industries Ltd.
- 15 Greenply Industries Ltd.
- 16 Gujarat Woodlam Products Pvt. Ltd.
- 17 Hunsur Plywood Works Pvt. Ltd.
- 18 Jacsons Veneers And Panels Pvt. Ltd.
- 19 Jagdamba Wood Industries
- 20 Jollyboard Ltd.
- 21 Lalson's Pvt. Ltd.
- 22 Magnus Plywood Pvt. Ltd.
- 23 Maheshwari Woods Private Limited
- 24 Mayur Panel Pvt. Ltd.
- 25 Merino Industries Ltd.
- 26 Metro Plywood Pvt. Ltd.
- 27 New Pragati Plywood Industries
- 28 Northern Plywood Products
- 29 Oswin Wood Panels Pvt. Ltd.
- 30 Palghar Plywood Products Pvt. Ltd.
- 31 Pashupati Veneer
- 32 Punjab Wood Products
- 33 R.P. Wood Products Pvt. Ltd.
- 34 Realply Industries Pvt. Ltd.
- 35 Riangdo Veneers Pvt. Ltd.
- 36 Royale Touche Laminates Pvt. Ltd.
- 37 Rushil Décor Ltd.
- 38 Strandply LLP
- 39 Sylvan Plyboard (India) Ltd.
- 40 The Western India Plywood Ltd.
- 41 United Timber Works
- 42 Virgo Plywood Limited
- 43 Vritti Impex Pvt. Ltd.
- 44 Woodon Mdf Panels Pvt. Ltd.

Affiliate Members

- 1 All India Plywood Manufacturers Association (AIPMA)
- 2 All Kerala Plywood & Block Board Manufacturers Association (AKPBBMA)
- 3 Association of Indian Plywood & Laminate Industries
- 4 Association of Indian Plywood Panels & Laminate Industries
- 5 Awadh Plywood Manufacturers Association (U.P.)
- 6 Delhi - NCR Plywood Manufacturers Association
- 7 Gujarat Plywood & Veneers Manufacturers Association
- 8 Haryana Plywood Manufacturers Association
- 9 J & K Plywood Plywood Manufacturers Association
- 10 Kandla Timber Association
- 11 North Malabar Plywood & Doors Manufacturers Association
- 12 Plywood Manufacturers Welfare Association (U.P.)
- 13 Punjab Plywood Manufacturers Association
- 14 Rajasthan Plywood Manufacturers Association
- 15 Saw Mill Owners & Plywood Manufacturers Association (SOPMA)
- 16 The Bengaluru Plywood Manufacturers Association
- 17 The Karnataka Plywood Manufacturers Association
- 18 The South Indian Plywood Manufacturers Association (SIPMA)
- 19 UK UP Plywood Association
- 20 Wood Technologist Association

Associate Members

- 1 ARCL Organics Ltd.



ECONOMY ♦ EXCELLENCE ♦ ETHICS

MARINE BOARD

Water Se SAFE Health Rahe GREAT



MOISTURE
RESISTANT

Fit for
Damp Conditions



E1 EMISSION

Does Not Lead
to Cancer



SMOOTH SURFACE

Easy to
Paint



SUSTAINABLE

Protecting
Planet



TERMITE RESISTANT

Peace of Mind



12
YEARS

Warranty*

High-performance plywood since generations, for generations.



First to manufacture and market plywood made from European Beech



First to launch one-of-a-kind experience centre in New Delhi



First to launch 10" range of plywood in India



First to introduce lifetime guarantee against insect infestation on premium products



First to introduce 9X safety under DURO Advantage



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With a density above 1000 kg/m³, Boilo delivers unmatched strength and stability. Its resilience makes it ideal for interiors exposed to wet conditions, high boiling temperatures, heavy load-bearing surfaces, and high-traffic areas.

Truly a board for all seasons, Boilo BWP FR is crafted to perform with fearless consistency.

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Greenply
HAR ZARURAT KA REPLY

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GOLD

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- ✓ **SUPERIOR FIRE-SAFE**
- ✓ **EMISSION SAFE (E-0)**
- ✓ **BIS CERTIFIED**

30 YEARS
WARRANTY

WATERPROOF INTERIORS KA REPLY



**SCAN TO CONNECT
WITH US**

RANGE AVAILABLE IN PLYWOOD, DOORS AND BLOCKBOARD