

Executive summary

**APPLICATION FOR AN ANTI-ABSORPTION INVESTIGATION
concerning the definitive anti-dumping duty on imports of tubes and pipes of ductile cast iron
(also known as spheroidal graphite cast iron) originating in India, imposed by the Commission
Implementing Regulation No 2016/388 of 17 March 2016**

1. BACKGROUND

On 20 December 2014, the Commission initiated an anti-dumping investigation on tubes and pipes of ductile cast iron (also known as spheroidal graphite cast iron) ('ductile pipes'), with the exclusion of ductile pipes without internal and external coating ('bare pipes'), originating in India, currently falling within CN codes ex 7303 00 10 and ex 7303 00 90. This investigation was followed by an anti-subsidy investigation initiated on 11 March 2015. In both cases, the investigation period was from October 2013 to September 2014.

Through Commission Implementing Regulation 2016/387 and 2016/388 of 17 March 2016, the Union imposed definitive countervailing duties ranging from 8.7 to 9%, and anti-dumping duties ranging from 0% to 14.1%

2. APPLICATION

The Applicant, comprising Saint-Gobain PAM, Saint-Gobain PAM Deutschland GmbH, Saint-Gobain PAM Espana and Duktus GmbH, submits that the Indian exporters absorbed the duties imposed by the Union. Accordingly, in line with Article 12 of Regulation 2016/1036, this request provides the Commission with *prima facie* evidence necessary to ask for the investigation to be reopened.

2.1 The product concerned

The product concerned is the same as the one concerned in the previous investigations: tubes and pipes of ductile cast iron (also known as spheroidal graphite cast iron) ('ductile pipes'), with the exclusion of ductile pipes without internal and external coating ('bare pipes'), originating in India, currently falling within CN codes ex 7303 00 10 10 and ex 7303 00 90 10.

2.2 Indian producers concerned

The concerned producers are Jindal Saw Ltd, Electrosteel Casting Ltd, and all other companies in India producing and exporting the product concerned to the EU.

2.3 Evidence of absorption of the duties

The Applicant provides evidence that the export price of ductile iron pipes has decreased since the imposition of the measures, and that the resale price to the first independent customer in the EU exhibited insufficient movement. For all its calculations, the Applicant used the period Q4 2016 – Q3 2017 as the absorption investigation period.

2.4 Volume of imports

The Eurostat data reveal that, although the volume of imports logically decreased after the imposition of measures, they still represent a substantial part of the EU market. In this context, the Applicant recalls that ductile iron pipes are products defined by technical standards with no difference in quality, where price is the only competition factor. It also raises the fact that the market is essentially based on project and public offers. In these conditions, as tenders are public, even very limited volumes can have a significant depreciating effect on the EU.

2.5 Decrease in the export price

By compiling evidence obtained from EU official sources (Eurostat) and data obtained from customs authorities, the Applicant demonstrates that the price of Indian exports of the product concerned to the EU have decreased compared to the original investigation period.

2.6 Insufficient movement in the resale prices

In the original investigation, the Commission found that the product concerned was exported mainly through related companies acting as importers. Consequently, in order to avoid any possible unreliability in the price of intra-group transactions, the Applicant resorted to an analysis of the resale price to the first independent customers in the EU.

This analysis was conducted on the basis of market intelligence for the main countries in the EU where the companies are present. When compared to the prices of the IP, the data evidence a significant effective reduction in price. These calculations take into account the various diameters of pipes.

In addition, it was demonstrated that this reduction in prices could not be explained by other factors, such as a reduction in the normal value of the product.

3. CONCLUSION

The Applicant demonstrates that both the decrease in export prices and the evolution of the resale prices provide sufficient *prima facie* evidence that Indian producers have absorbed the imposed duties. These actions increase the injury suffered by the EU industry and therefore justify the imposition of additional anti-dumping duties.

Interested parties:

- Saint-Gobain PAM
- Saint-Gobain PAM Deutschland GmbH
- Saint-Gobain PAM Espana
- Duktus GmbH
- Indian producers including:
 - Jindal Saw Ltd and its European subsidiaries
 - Electrosteel Casting Ltd and its European subsidiaries