



Anti-Dumping Commission
Exporter Questionnaire – Accelerated Review

Product: Certain aluminium extrusions
From: People's Republic of China
Period of inquiry: 1 June 2012 to 31 May 2013
Response due by: Tuesday 30 July 2013
Investigation case officer: Mr Carl Halpin
Phone: +61 3 9244 8243
Fax: +61 3 9244 8902
E-mail: operations3@adcommission.gov.au
Anti-Dumping Commission website: www.adcommission.gov.au
Return completed questionnaire by email with hard copy posted to:

Director Operations 3
Anti-Dumping Commission
1010 Latrobe Street
Melbourne Docklands VIC 3008
AUSTRALIA

Company Name: Guangdong Jinxiecheng Al. Manufacturing Co., Ltd

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SECTION A COMPANY STRUCTURE AND OPERATIONS

This section requests information relating to company details and financial reports.

A-1 Identity and communication

Please nominate a person within your company who can be contacted for the purposes of this inquiry:

Head Office:

Name: [QiuHong Pan](#)

Position in the company: [Manager of sale department](#)

Address: [Hengang Industrial Area Dali Street Nanhai District Fosan City, Gangdong Province, PRC](#)

Telephone: [\(86 757\) 85502066](#)

Facsimile number: [\(86 757\) 85505935](#)

E-mail address of contact person: xc@jinxiecheng.com

Factory:

Name: [Huirong Li](#)

Position in the company: [Manager of Production department](#)

Address: [Hengang Industrial Area Dali Street Nanhai District Fosan City, Gangdong Province, PRC](#)

Telephone: [\(86 757\) 85502066](#)

Facsimile number: [\(86 757\) 85505935](#)

E-mail address of contact person: xc@jinxiecheng.com

A-2 Representative of the company for the purpose of inquiry

If you wish to appoint a representative to assist you in this inquiry, provide the following details:

Name: [Kaiming Cai](#)

Organisation: [Beijing Dacheng Law Offices](#)

Position: [Attorney-at-law](#)

Address: [5/F, Guohua Plaza, Dongzhimennan Avenue, Beijing, China 100007](#)

Telephone: [\(86 10\) 5813 7694](#)

Facsimile/Telex number: [\(86 10\) 5813 7778](#)

E-mail address of contact person: kaiming.cai@dachenglaw.com

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Note that in nominating a representative, Customs and Border Protection will assume that confidential material relating to your company in this inquiry may be freely released to, or discussed with, that representative.

A-3 Company information

1. What is the legal name of your business? What kind of entity is it (e.g. company, partnership, sole trader)? Please provide details of any other business names that you use to export and/or sell goods.

Response: Gangdong Jinxiecheng AL. Manufacturing Co.,Ltd (hereinafter referred as "Jinxiecheng")is a limited liability Foreign investment whose shareholder is Jinxiecheng AI Co.,Ltd established on Oct 15 2003 in Samoa, there is no other name used in its operation. Please refer to Exhibit 1: Business License of Jinxiecheng.

Who are the owners and/or principal shareholders? Provide details of shareholding percentages for joint owners and/or principal shareholders. (List all shareholders able to cast, or control the casting of, 5% or more of the maximum amount of votes that could be cast at a general meeting of your company).

Response: Jinxiecheng's only owner is Jinxiecheng AI Co.,Ltd established in Samoa which owns 100 percent share of Jinxiecheng. Please refer to Exhibit 2: Certificate of Approval for foreign investment enterprise.

2. If your company is a subsidiary of another company list the principal shareholders of that company.

Response: The shareholders of the parent company of Jinxiecheng are stated as the following: Mr Wu Zecheng, Mr Ng Kuishing and Mr Wu Zhecheng.

3. If your parent company is a subsidiary of another company, list the principal shareholders of that company.

Response: The parent company of Jinxiecheng is not a subsidiary of another company since its all owners are nature persons.

4. Provide a diagram showing all associated or affiliated companies and your company's place within that corporate structure.

Response: Jinxiecheng has no other affiliated company other than its parent company, so no need for external affiliation structure..

5. Are any management fees/corporate allocations charged to your company by your parent or related company.

Response: No management fees/corporate allocations charged to my business by parent or related companies.

6. Describe the nature of your company's business. Explain whether you are a producer or manufacturer, distributor, trading company, etc.

Response: Jinxiecheng is a producer of GUI, and also sells the goods in the domestic market and export to foreign markets like Australian and Suriname by a trading company, namely "Foshan Nanhai Newtime Trading Co., Ltd"(hereinafter referred as "trading company"). Please be kindly noted that Jinxiecheng just exported products to Australia and Suriname during the review period.

7. If your business does not perform all of the following functions in relation to the goods under inquiry, then please provide names and addresses of the companies which perform each function:
- produce or manufacture;
 - sell in the domestic market;
 - export to Australia; and
 - export to countries other than Australia.

Response: Jinxiecheng produces, sells GUI in domestic market and exported GUI to Australia and Suriname by a trading company just as mentioned in question 6.

8. Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.

Response: Please refer to Exhibit 3: Internal organization chart.

Chairman of director of board is responsible for company's long-term operation strategy, and other important matters. CEO is responsible for carrying out the board of directors' plan and strategy, Vice general manager is responsible for management of daily operation. Financial department is in charge of all financial work including but not limited to producing financial statement, maintaining and keeping all financial records. Production department is responsible for producing products upon the request of company's management level. Marketing department is responsible for selling products produced by the company.

9. Provide a copy of your most recent annual report together with any relevant brochures or pamphlets on your business activities.

Response: Jinxiecheng Group wishes to keep this information confidential as it is private company and information is confidential. The release of this to the third party, especially to the competitors will negatively impact its competitiveness, even summation of this information will contain information that is confidential by its nature.

A-4 General accounting/administration information

1. Please provide the following financial documents for the two most recently completed financial years plus all subsequent monthly, quarterly or half yearly statements:
- chart of accounts;
 - audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);
 - internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods under inquiry.

These documents should relate to:

- the division or section/s of your business responsible for the production and sale of the goods under inquiry, and
- the company.

Response: Jinxiecheng Group wishes to keep this information confidential as it is private company and information is confidential. The release of this to the third party, especially to the competitors will negatively impact its competitiveness, even summation of this information will contain information that is confidential by its nature.

2. If you are not required to have the accounts audited, provide the unaudited financial statements for the two most recently completed financial years, together with your

taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

Response: Not applicable since Jinxiecheng is required to have annual financial report audited by independent account firm.

3. Indicate your accounting period.

Response: The accounting period is from January 1 to December 31.

4. Indicate the address where the financial records are held.

Response: The financial records of Jinxiecheng are held at the company's address.

5. Do your accounting practices differ in any way from the generally accepted accounting principles in your country? If so, provide details.

Response: There's no difference between the accounting practices of Jinxiecheng and the generally accepted accounting principles in China.

6. Describe:

The significant accounting policies that govern your system of accounting, in particular:

- the method of valuation for raw material, work-in-process, and finished goods inventories (eg last in first out –LIFO, first in first out- FIFO, weighted average);
- costing methods, including the method (eg by tonnes, units, revenue, direct costs etc) of allocating costs shared with other goods or processes (such as front office cost, infrastructure cost etc);
- valuation methods for damaged or sub-standard goods generated at the various stages of production;
- valuation methods for scrap, by products, or joint products;
- valuation and revaluation methods for fixed assets;
- average useful life for each class of production equipment and depreciation method and rate used for each;
- treatment of foreign exchange gains and losses arising from transactions;
- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;
- inclusion of general expenses and/or interest;
- provisions for bad or doubtful debts;
- expenses for idle equipment and/or plant shut-downs;
- costs of plant closure;
- restructuring costs;
- by-products and scrap materials resulting from your company's production process; and
- effects of inflation on financial statement information.

Response:

The inventory is divided into raw materials, finished products, unfinished products, work in process and so on, The price shall be determined according to the weighted average method when shipping inventories.

Inventory falling price provision shall be provided or adjust subject to the lower of cost and net realizable value of inventory after completely checking inventories at the end of the period.

there are different workshops for different products, costs and expense are gathered and calculated by different workshop, so there is no need to allocate cost for different products.

Scrap is valued according to the current price of Scrap in the market.

Fixed assets are recorded at the actual cost. Fixed assets shall be measured at the end of each period to determine whether there is any impairment indication with respect to fixed assets.

As to fixed assets with impairment indications, the recoverable amount shall be estimated. The recoverable amount shall be determined subject to the net amount of the fair value of fixed assets minus the disposal cost or the current amount of the estimated future cash flow of fixed assets, whichever is higher.

If the recoverable amount of the fixed asset is lower than its book value, the book value shall be reduced to the recoverable amount, and the amount reduced shall be recognized as impairment losses of fixed assets and shall be included in current profits and losses, and correspondent impairment provision of fixed assets shall be provided.

There is no foreign exchange gain and loss occurred within Jinxicheng since it sells products outside of China through a trading company.

7. In the event that any of the accounting methods used by your company have changed over the last two years provide an explanation of the changes, the date of change, and the reasons for it.

Response: There has been no material changes to accounting policies in the last 2 years.

A-5 Income statement

Please fill in the following table. It requires information concerning all products produced and for the goods under inquiry (GUI) is defined in the glossary of terms in the appendix to this form). You should explain how costs have been allocated.

	Most recent completed financial year: 1 January 2011 – 30 December 2011		Period of inquiry: 1 January 2012 - 30 December 2012	
	All products	Goods under inquiry	All products	Goods under inquiry
Gross sales (1)				
Sales returns, rebates and discounts (2)				
Net sales (3=1-2)				
Raw materials (4)				
Direct Labour (5)				
Depreciation (6)				
Manufacturing overheads (7)				
Other operating expenses (8)				
Total cost to make (9=4+5+6+7+8)				

Operating income (10=3-9)				
Selling expenses (11)				
Administrative & general expenses (12)				
Financial expenses (13)				
SG&A expenses (14)=(11+12+13)				
Income from normal activities (15)=(10-14)				
Interest income (16)				
Interest expense (enter as negative) (17)				
Extraordinary gains and losses – enter losses as negative (18)				
Abnormal gains and losses – enter losses as negative (19)				
Profit before tax (20)=(15+16+17+18+19)				
Tax (21)				
Net profit (22)=(20-21)				

Note: if your financial information does not permit you to present information in accordance with this table please present the information in a form that closely matches the table.

Prepare this information on a spreadsheet named "**INCOME STATEMENT**".

This information will be used to verify the completeness of cost data that you provide in Section G. If, because of your company's structure, the allocations would not be helpful in this process, please explain why this is the case.

Response: This confidential information is provided to the subject authority for investigation; as such data is classified as highly sensitive commercial information. Please refer to a summary of the information in an indexed form. Please refer to Exhibit 6: Income Statement.

A-6 Sales

State your company's net turnover (after returns and all discounts), and free of duties and taxes. Use the currency in which your accounts are kept, in the following format:

	Most recent completed financial year: 1 January 2011 – 30 December 2011		Period of inquiry: 1 January 2012 - 30 December 2012	
	Volume	Value	Volume	Value
Total company turnover (all products)				
Domestic market				
Exports to Australia				
Exports to other countries				
Turnover of the nearest business unit, for which financial statements are prepared, which includes the goods under inquiry				
Domestic market				

Exports to Australia				
Exports to other countries				
Turnover of the goods under inquiry				
Domestic market				
Exports to Australia				
Exports to other countries				

Prepare this information in a spreadsheet named "**TURNOVER**".

This information will be used to verify the cost allocations to the goods under inquiry in Section G.

Also, you should be prepared to demonstrate that sales data shown for the goods is a complete record by linking total sales of these goods to relevant financial statements of all sales by your company.

Response: This confidential information is provided to the subject authority for investigation; as such data is classified as highly sensitive commercial information. Please refer to a summary of the information in an indexed form. Please refer to Exhibit 7: Turnover.

SECTION B SALES TO AUSTRALIA (EXPORT PRICE)

This section should only be completed if you have exported aluminium extrusions to Australia during the review period.

*This section requests information concerning your export practices and prices to Australia. You should include costs incurred beyond ex-factory. Export prices are usually assessed at FOB point, but Customs and Border Protection may also compare prices at the ex factory level. You should report prices of **all GUI shipped** to Australia during the review period.*

The invoice date will normally be taken to be the date of sale. If you consider

- *the sale date is not the invoice date (see 'date of sale' column in question B4 below) and;*
- *an alternative date should be used when comparing export and domestic prices*

*you **must** provide information in section D on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the review period.*

B-1 For each customer in Australia to whom you shipped goods list:

- name;
- address;
- contact name and phone/fax number where known; and
- trade level (for example: distributor, wholesaler, retailer, end user, original equipment).

Response: Jinxi Cheng Group wishes to keep this information confidential as it is private company and information is confidential. The release of this to the third party, especially to the competitors will negatively impact its competitiveness, even summation of this information will contain information that is confidential by its nature.

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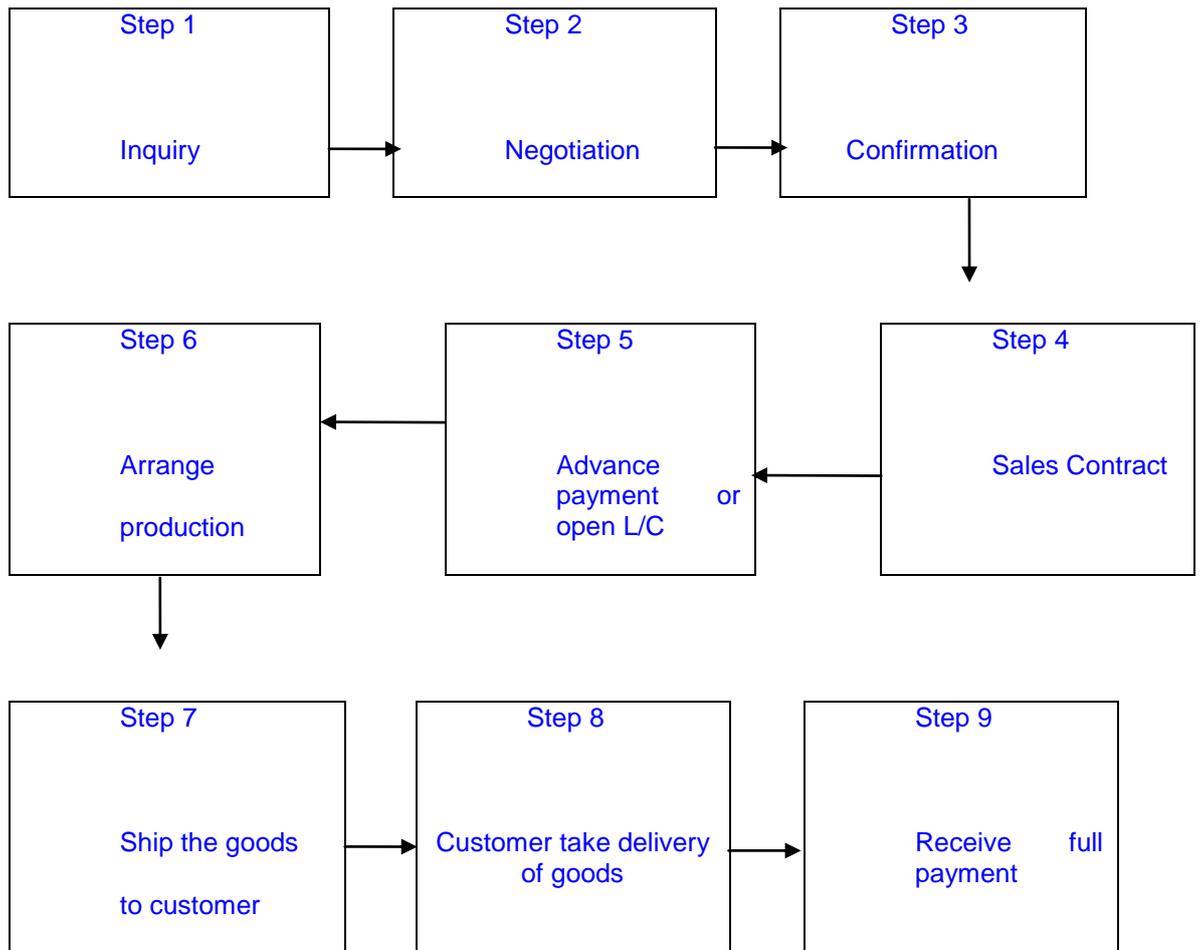
B-2 For each customer identified in B1 please provide the following information.

- (a) Describe how the goods are sent to each customer in Australia, including a diagram if required.

Response:

The channel of distribution is rather simple: from our company to Trading company, then to Australia importer, which is also the first independent customer.

Upon the customer's inquiry, Trading company negotiate regarding the price, quantity and the specification of the product concerned through telephone, email or fax with importer. Once the terms are mutually agreed, trading company will sign the sales contract with the customer. After the contract is signed, sometimes purchase order will be treated as contract by both parties. Trading company will contact Guangdong Jinxi Cheng and negotiate specific terms. Guangdong Jinxi Cheng will arrange for the production and then ship the goods to the trading company



Therefore, as the result of direct price negotiations with the customers, the prices set are not subject to review by any governmental organization.

- (b) Identify each party in the distribution chain and describe the functions performed by them. Where commissions are paid indicate whether it is a pre or post exportation expense having regard to the date of sale.

Response: Please refer to the answer of question B-2 a.

- (c) Explain who retains ownership of the goods at each stage of the distribution chain. In the case of DDP sales, explain who retains ownership when the goods enter Australia.

Response: Trading company has ownership after products is picked up, and Importer gets ownership when products was delivered to the carrier since delivery term is FOB.

- (d) Describe any agency or distributor agreements or other contracts entered into in relation to the Australian market (supply copy of the agreement if possible).

Response: Not applicable since there is no any agency or distributor in Australian market.

- (e) Explain in detail the process by which you negotiate price, receive orders, deliver, invoice and receive payment. If export prices are based on price lists supply copies of those lists.

Response: Please refer to the answer of question B-2 a.

- (f) State whether your firm is related to any of its Australian customers. Give details of any financial or other arrangements (eg free goods, rebates, or promotional subsidies) with the customers in Australia (including parties representing either your firm or the customers).

Response: Not applicable since Jinxiecheng and its trading company are not related to any Australian customer..

- (g) Details of the forward orders of the goods under inquiry (include quantities, values and scheduled shipping dates).

Response: Not applicable since Jinxiecheng has no any forward orders of the goods so far..

- B-3 Do your export selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

Response: Not applicable since Jinxiecheng just has one customer in Australia until now.

- B-4 In the tab named “**AUSTRALIAN SALES**” of the attached spreadsheet, list all shipments (that is transaction by transaction) to Australia of aluminium extrusions. You must provide this list in electronic format. Include the following export related information:

Column heading	Explanation
Customer name	names of your customers
Level of trade	the level of trade of your customers in Australia
Model/grade/type	commercial model/grade or type
Finish	e.g. mill finish, anodised, powder coated
Product code	code used in your records for the model/grade/type identified. Explain the product codes in your questionnaire response.
Invoice number	invoice number
Invoice date	invoice date
Date of sale	refer to the explanation at the beginning of this section. If you consider that a date <i>other than</i> the invoice date best establishes the material terms of sale, report that date. For example, order confirmation, contract, or purchase order date.
Order number	if applicable, show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Shipping terms	Delivery terms eg. CIF, C&F, FOB, DDP (in accordance with Incoterms)

Payment terms	agreed payment terms eg. 60 days=60 etc
Quantity	Quantity in units shown on the invoice. Show basis eg kg.
Gross invoice value	gross invoice value shown on invoice <i>in the currency of sale, excluding taxes.</i>
Discounts on the invoice	if applicable, the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide a description.
Invoice currency	the currency used on the invoice
Exchange rate	Indicate the exchange rate used to convert the currency of the sale to the currency used in your accounting system
Net invoice value in the currency of the exporting country	the net invoice value expressed in your domestic currency as it is entered in your accounting system
Rebates or other allowances	the amount of any deferred rebates or allowances paid to the importer in the currency of sale
Quantity discounts	the actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.
Ocean freight**	the actual amount of ocean freight incurred on each export shipment listed.
Marine insurance	Amount of marine insurance
FOB export price**	the free on board price at the port of shipment.
Packing*	Packing expenses
Inland transportation costs*	inland transportation costs included in the selling price. For export sales this is the inland freight from factory to port in the country of export.
Handling, loading & ancillary expenses*	handling, loading & ancillary expenses. For example, terminal handling, export inspection, wharfage & other port charges, container tax, document fees & customs brokers fees, clearance fees, bank charges, letter of credit fees, & other ancillary charges incurred in the exporting country.
Warranty & guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services, such as technical assistance or installation costs.
Commissions*	Commissions paid. If more than one type is paid insert additional columns of data. Indicate in your response to question B2 whether the commission is a pre or post exportation expense having regard to the date of sale.
Other factors*	any other costs, charges or expenses incurred in relation to the exports to Australia (include additional columns as required). See question B5.

** FOB export price and ocean freight”:

***FOB export price:** An FOB export price must be calculated for each shipment - regardless of the shipping terms. FOB price includes inland transportation to the port of exportation, inland insurance, handling, and loading charges. It excludes post exportation expenses such as ocean freight and insurance. Use a formula to show the method of the calculation on each line of the export sales spreadsheet.*

***Ocean freight:** as ocean freight is a significant cost it is important that the actual amount of ocean freight incurred on each exportation be reported. If estimates must be made you must explain the reasons and set out the basis - estimates must reflect changes in freight rates over the review period.*

Freight allocations must be checked for consistency.

** All of these costs are further explained in section E-1.*

Response: Jinxicheng Group wishes to keep this information confidential as it is private company and information is confidential. The release of this to the third party, especially to the competitors will negatively impact its competitiveness, even summation of this information will contain information that is confidential by its nature.

B-5 If there are any other costs, charges or expenses incurred in respect of the exports listed above which have not been identified in the table above, add a column (see “other factors” in question B-4) for each item, and provide a description of each item. For example, other selling expenses (direct or indirect) incurred in relation to the export sales to Australia.

Response: Jinxiecheng Group wishes to keep this information confidential as it is private company and information is confidential. The release of this to the third party, especially to the competitors will negatively impact its competitiveness, even summation of this information will contain information that is confidential by its nature.

B-6 For each type of discount, rebate, allowance offered on export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met by the importer to obtain the discount.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amount shown in your response to question B4. If they vary by customer or level provide an explanation.

Response: Not applicable since there is no discount, rebate, allowance occurred..

B-7 If you have issued credit notes (directly or indirectly) to the customers in Australia, in relation to the invoices listed in the detailed transaction by transaction listing in response to question B4, provide details of each credit note if the credited amount has **not** been reported as a discount or rebate.

Response: Not applicable since Jinxiecheng and its trading company did not issue any credit order in the respect of Australian export..

B-8 If the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (e.g. delivered duty paid), insert additional columns in the spreadsheet for all other costs incurred. For example:

Import duties	Amount of import duty paid in Australia
Inland transport	Amount of inland transportation expenses within Australia included in the selling price
Other costs	Customs brokers, port and other costs incurred (itemise)

Response: Not applicable since Jinxiecheng and its trading company are not responsible for any expense mentioned in this question..

B-9 Select two shipments, in different quarters of the review period, and provide a complete set of all of the documentation related to the export sale. For example:

- the importer’s purchase order, order confirmation, and contract of sale;
- commercial invoice;
- bill of lading, export permit;

- freight invoices in relation to movement of the goods from factory to Australia, including inland freight contract;
- marine insurance expenses; and
- letter of credit, and bank documentation, proving payment.

Customs and Border Protection will select additional shipments for payment verification at the time of the visit.

Response: Jinxiecheng Group wishes to keep this information confidential as it is private company and information is confidential. The release of this to the third party, especially to the competitors will negatively impact its competitiveness, even summation of this information will contain information that is confidential by its nature.

SECTION C EXPORTED GOODS & LIKE GOODS
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If you have not exported aluminium extrusions to Australia during the review period detail the goods you intend to export.

C-1 Fully describe all of the goods you have exported to Australia during the review period or intend to export. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the exported goods.

Response: Jinxicheng produces Mill finished, Anode Oxidation, Electrophoresis coating and Powder coating and sells them in domestic markt and Suriname by a trading company.

C-2 List each model/type of the good exported to Australia (these models should cover all models listed in spreadsheet "Australian sales" – see section B of this questionnaire).

Response: Jinxicheng exported Mill finished to Australia and plans to sellAnode Oxidation, Electrophoresis coating and Powder coating to Australia in the future.

C-3 If you sell like goods on the domestic market, for each model/type that your company has exported to Australia during the review period, list the most comparable model(s) sold domestically;

- and provide a detailed explanation of the differences where those goods sold domestically (that is the like goods – see explanation in glossary) are not identical to the goods exported to Australia (for example):

EXPORTED MODEL	DOMESTIC MODEL	IDENTICAL?	DIFFERENCES
Product code of each model of the goods exported to Australia	Product code of comparable model sold on the domestic market of the country of export	If goods are identical indicate "YES". Otherwise "NO"	Where the good exported to Australia is not identical to the like goods, describe the specification differences. If it is impractical to detail specification differences in this table refer to documents which outline differences

Prepare this information in the tab "**LIKE GOODS**" of the attached spreadsheet.

Response: Jinxicheng sold Mill finished, Anode Oxidation, Electrophoresis coating and Powder coating in domestic market, and products sold in China is totally same as those which was sold or will be sold in Australia.

C-4 Please provide any technical and illustrative material that may be helpful in identifying or classifying the goods that your company sells on the domestic market.

Response: Major material is alluminium ignot.

SECTION D DOMESTIC SALES

This section should only be completed if you have sold aluminium extrusions in the domestic market.

This section seeks information about the sales arrangements and prices in the domestic market of the country of export.

*All domestic sales must be listed transaction by transaction. If there is an extraordinarily large volume of sales data and you are unable to provide the complete listing electronically you **must** contact the case officer **before** completing the questionnaire. If the case officer agrees that it is not possible to obtain a complete listing he or she will consider a method for sampling that meets Customs and Border Protection requirements.*

Customs and Border Protection will normally take the invoice date as being the date of sale.

If, in response to question B4 (Sales to Australia, Export Price), you have reported that the date of sale is not the invoice date and you consider that this alternative date should be used when comparing domestic and export prices –

If you do not have any domestic sales of like goods you must contact the case officer who will explain the information Customs and Border Protection requires for determining a normal value using alternative methods.

D-1 Provide:

- a detailed description of your distribution channels to domestic customers, including a diagram if appropriate;
- information concerning the functions/activities performed by each party in the distribution chain; and
- a copy of any agency or distributor agreements, or contracts entered into.

Response: The domestic customers of Jinxiecheng include trading companies and end users, and most products were sold to trading companies, little percentage of products was sold to end users. Sales department contacts customers or is contacted by customers, then negotiates with customers about contract terms finally enters into agreement with customers.

If any of the customers listed are associated with your business, provide details of that association. Describe the effect, if any, that association has upon the price.

Response: There is no customer is associated with Jinxiecheng, all customers are totally independent with Jinxiecheng.

D-2 Do your domestic selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

Response: Domestic selling prices vary according to a lot of factors like long-term customers or short-term customers, quantity of sale, and specific contract, generally price to trading companies is a little lower than that to end users. Selling price will be almost same if end users' volume is almost same as trading companies.

D-3 Explain in detail the sales process, including:

- the way in which you set the price, receive orders, make delivery, invoice and finally receive payment; and the terms of the sales; and

- whether price includes the cost of delivery to customer.

Response: Jinxiecheng' sale department negotiates the price with its customers on the basis of the cost of production and price of raw material. The domestic customer lays purchase orders directly to Jinxiecheng. Upon the sales term is agreed, the company will arrange for production. All of the transactions are made on EXW, so price does not include delivery cost. That is to say, some of the prices include the freight. The sales are not in accordance with price lists.

If sales are in accordance with price lists, provide copies of the price lists.

Response: Price list is just a guideline, the final price always depends on specific situation, so the final price is not in line with price lists.

- D-4 Prepare this information in the tab "**DOMESTIC SALES**" of the attached spreadsheet, listing **all** sales of like goods made during the review period. Include all of the following information:

DOMESTIC SALES

Column heading	Explanation
Customer name	names of your customers. If an English version of the name is not easily produced from your automated systems show a customer code number and in a separate table list each code and name.
Level of trade	the level of trade of your domestic customer
Model/grade/type	commercial model/grade or type
Finish	e.g. mill finish, anodised, powder coated
Product code	code used in your records for the model/grade/type identified. Explain the product codes in your questionnaire response.
Invoice number	invoice number
Invoice date	invoice date
Date of sale	refer to the explanation at the beginning of this section. If you consider that a date <i>other than</i> the invoice date best establishes the material terms of sale and should be used, report that date. For example, order confirmation, contract, or purchase order date.
Order number	show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Delivery terms	eg ex factory, free on truck, delivered into store
Payment terms	payment terms agreed with the customer eg. 60 days=60 etc
Quantity	quantity in units shown on the invoice eg kg.
Gross Invoice value	gross value shown on invoice <i>in the currency of sale</i> , net of taxes.
Discounts on the invoice	the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide description.
Net invoice value in the currency of the exporting country	the net invoice value expressed in your domestic currency as recorded in your accounting system
Rebates or other allowances	the actual amount of any deferred rebates or allowances in the currency of sale
Quantity discounts	the actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.
Packing*	packing expenses
Inland transportation costs*	amount of inland transportation costs included in the selling price.
Handling, loading and ancillary expenses*	handling, loading & ancillary expenses.
Warranty & guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services such as technical assistance or installation costs.
Commissions*	commissions paid. If more than one type is paid insert additional columns of data.
Other factors*	any other costs, charges or expenses incurred in relation to the domestic sales (include additional columns as required). See question D5.

Costs marked with * are explained in section E-2.

Response: Jinxiecheng Group wishes to keep this information confidential as it is private company and

information is confidential. The release of this to the third party, especially to the competitors will negatively impact its competitiveness, even summation of this information will contain information that is confidential by its nature.

D-5 If there are any other costs, charges or expenses incurred in respect of the sales listed which have not been identified in the table in question D-4 above, add a column for each item (see "other factors"). For example, certain other selling expenses incurred.

Response: Jinxiecheng Group wishes to keep this information confidential as it is private company and information is confidential. The release of this to the third party, especially to the competitors will negatively impact its competitiveness whereas Jinxiecheng Group provides summation for this in order to let the interested parties have a reasonable understanding for this.

D-6 For each type of commission, discount, rebate, allowance offered on domestic sales of like goods:

- provide a description; and
- explain the terms and conditions that must be met by the customer to qualify for payment.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amounts shown in your response to question D4.

If you have issued credit notes, directly or indirectly to the customers, provide details if the credited amount has **not** been reported as a discount or rebate.

Response: There are no discount, rebate, allowance offered on domestic sales. No credit notes were issued directly or indirectly to the customers.

D-7 Select two domestic sales, in different quarters of the review period, that are at the same level of trade as the export sales. Provide a complete set of documentation for those two sales. (Include, for example, purchase order, order acceptance, commercial invoice, discounts or rebates applicable, credit/debit notes, long or short term contract of sale, inland freight contract, bank documentation showing proof of payment.)

Customs and Border Protection will select additional sales for verification at the time of our visit.

Response: Jinxiecheng Group wishes to keep this information confidential as it is private company and information is confidential. The release of this to the third party, especially to the competitors will negatively impact its competitiveness, even summation of this information will contain information that is confidential by its nature.

SECTION E FAIR COMPARISON

If you have not exported aluminium extrusions to Australia during the review period detail the goods you intend to export.

If you have not exported the goods to Australia, common costs that are associated with exports to other countries may be used, for example inland freight and handling and loading charges.

Section B sought information about the export prices to Australia, Section D sought information about prices on your domestic market for like goods (that is the normal value).

Where the normal value and the export price are not comparable adjustments may be made. This section informs you of the fair comparison principle and asks you to quantify the amount of any adjustment.

As prices are being compared, the purpose of the adjustments is to eliminate factors that have unequally modified the prices to be compared.

To be able to quantify the level of any adjustment it will usually be necessary to examine cost differences between sales in different markets. Customs and Border Protection must be satisfied that those costs are likely to have influenced price. In practice, this means that the expense item for which an adjustment is claimed should have a close nexus to the sale. For example, the cost is incurred because of the sale, or because the cost is related to the sale terms and conditions.

Conversely, where there is not a direct relationship between the expense item and the sale a greater burden is placed upon the claimant to demonstrate that prices have been affected, or are likely to have been affected, by the expense item. In the absence of such evidence Customs and Border Protection may disallow the adjustment.

Where possible, the adjustment should be based upon actual costs incurred when making the relevant sales. However, if such specific expense information is unavailable cost allocations may be considered. In this case, the party making the adjustment claim must demonstrate that the allocation method reasonably estimates costs incurred.

A party seeking an adjustment has the obligation to substantiate the claim by relevant evidence that would allow a full analysis of the circumstances, and the accounting data, relating to the claim.

The inquiry must be completed within strict time limits therefore you must supply information concerning claims for adjustments in a timely manner. Where an exporter has knowledge of the material substantiating an adjustment claim that material is to be available at the time of the verification visit. Customs and Border Protection will not consider new claims made after the verification visit.

E-1 Costs associated with export sales

(These cost adjustments will relate to your responses made at question B-4, 'Australian sales').

1. Transportation

Explain how you have quantified the amount of inland transportation associated with the export sale ("**Inland transportation costs**"). Identify the general ledger account where the

expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

Response: As for the export slae to Australia, inland transportation costs is provided on the basis of actual amount, relevant document like invoice will be presented in spot verification.

2. Handling, loading and ancillary expenses

List all charges that are included in the export price and explain how they have been quantified (“**Handling, loading & ancillary expenses**”). Identify the general ledger account where the expenses are located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

The various export related ancillary costs are identified in the table at question B4, for example:

- terminal handling;
- wharfage and other port charges;
- container taxes;
- document fees and customs brokers fees;
- clearance fees;
- bank charges, letter of credit fees
- other ancillary charges.

Response: Handling, loading and ancillary expenses are provided on the basis of actual amount, relevant document like invoice will be presented in spot verification

3. Credit

The cost of extending credit on export sales is not included in the amounts quantified at question B4. However, Customs and Border Protection will examine whether a credit adjustment is warranted and determine the amount. Provide applicable interest rates over each month of the review period. Explain the nature of the interest rates most applicable to these export sales e.g. short term borrowing in the currency concerned.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, *and if* export prices are influenced by this longer or shorter period, calculate the average number of collection days. See also item 4 in section E-2 below.

Response: Credit cost will be calculated by multiplying the FOB Value with actual collecting days and interest rate. Actually, there is no credit cost in the export sale since customer in Australia made payment in advance.

4. Packing costs

List material and labour costs associated with packing the export product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed ‘**Packing**’.

Response: Not applicable since there is no difference on packing cost of Mill finished regardless of specific market, and this products just need a little adhesive taps for packing.

5. Commissions

For any commissions paid in relation to the export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing in question B-4 under the column headed **“Commissions”**. Identify the general ledger account where the expense is located.

Response: Not applicable since there is no commission occurred in the export sale.

6. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses (**“Warranty & guarantee expenses”** and **“Technical assistance & other services”**), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

Response: Not applicable since there is no warranties, guarantee and after sales service occurred..

7. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed **“Other factors”**. For example, other variable or fixed selling expenses, including salesmen’s salaries, salesmen’s travel expenses, advertising and promotion, samples and entertainment expenses. Your consideration of questions asked at Section G, concerning domestic and export costs, would have alerted you to such other factors.

Response: Not applicable since there is no other factor affecting fair comparison.

8. Currency conversions

In comparing export and domestic prices a currency conversion is required. Fluctuations in exchange rates can only be taken into account when there has been a ‘sustained’ movement during the period of inquiry (see article 2.4.1 of the WTO Agreement). The purpose is to allow exporters 60 days to adjust export prices to reflect ‘sustained’ movements. Such a claim requires detailed information on exchange movements in your country over a long period that includes the review period.

Response: Not applicable since there is no sustained movement during the period of Inquiry for exchange rate..

E-2 Costs associated with domestic sales

*(These cost adjustments will relate to your responses made at question D-4, **“domestic sales”**)*

The following items are not separately identified in the amounts quantified at question D-4. However you should consider whether any are applicable.

1. Physical characteristics

The adjustment recognises that differences such as quality, chemical composition, structure or design, mean that goods are not identical and the differences can be quantified in order to ensure fair comparison.

The amount of the adjustment shall be based upon the market value of the difference, but where this is not possible the adjustment shall be based upon the difference in cost plus the gross profit mark-up (that is an amount for selling general and administrative costs (SG&A) plus profit).

The adjustment is based upon actual physical differences in the goods being compared and upon the manufacturing cost data. Identify the physical differences between each model. State the source of your data.

Response: Products sold in domestic market and abroad like Australia are totally same, No significant differences exist on the physical characteristics and manufacturing cost,

2. Import charges and indirect taxes

If exports to Australia:

- are partially or fully exempt from internal taxes and duties that are borne by the like goods in domestic sales (or on the materials and components physically incorporated in the goods), or
- if such internal taxes and duties have been paid and are later remitted upon exportation to Australia;

the price of like goods must be adjusted downwards by the amount of the taxes and duties.

The taxes and duties include sales, excise, turnover, value added, franchise, stamp, transfer, border, and excise taxes. Direct taxes such as corporate income tax are not included as such taxes do not apply to the transactions.

Adjustment for drawback is not made in every situation where drawback has been received. Where an adjustment for drawback is appropriate you must provide information showing the import duty borne by the domestic sales. (That is, it is not sufficient to show the drawback amount and the export sales quantity to Australia. For example, you may calculate the duty borne on domestic sales by quantifying the total amount of import duty paid and subtracting the duty refunded on exports to all countries. The difference, when divided by the domestic sales volume, is the amount of the adjustment).

In substantiating the drawback claim the following information is required:

- a copy of the relevant statutes/regulations authorising duty exemption or remission, translated into English;
- the amount of the duties and taxes refunded upon *exportation* and an explanation how the amounts were calculated and apportioned to the exported goods;
- an explanation as to how you calculated the amount of duty payable on imported materials is borne by the goods sold *domestically* but is not borne by the exports to Australia;

Substitution drawback systems

Annex 3 of the WTO Agreement on Subsidies provides: “Drawback systems can allow for the refund or drawback of import duties on inputs which are consumed in the production process

of another product and where the export of this latter product contains domestic inputs having the same quality and characteristics as those substituted for the imported inputs”

If such a scheme operates in the country of export adjustments can also be made for the drawback payable on the substituted domestic materials, provided the total amount of the drawback does not exceed the total duty paid.

Response: Not applicable since Jinxiecheng did not directly export products to other country, and it does not enjoy any preferential tax treatment.

3. Level of trade

Question D-4 asks you to indicate the level of trade to the domestic customer. To claim an adjustment for level of trade differences you will need to quantify the amount by which level of trade influences price.

Trade level is the level a company occupies in the distribution chain. The trade level to which that company in turn sells the goods and the functions carried out distinguish a level of trade. Examples are producer, national distributor, regional distributor, wholesaler, retailer, end user, and original equipment.

It may not be possible to compare export prices and domestic prices at the same level of trade. Where relevant sales of like goods at the next level of trade must be used to determine normal values an adjustment for the difference in level of trade may be required where it is shown that the difference affects price comparability.

The information needs to establish that there are real trade level differences, not merely nominal differences. Real trade level differences are characterised by a consistent pattern of price differences between the levels and by a difference in functions performed. If there is no real trade level differences all sales are treated as being at the same level of trade.

A real difference in level of trade (may be adjusted for using either of the following methods:

- (a) *costs arising from different functions*: the amount of the costs, expenses etc incurred by the seller in domestic sales of the like goods resulting from activities that would not be performed were the domestic sales made at the same level as that of the importer.

This requires the following information:

- a detailed description of each sales activity performed in selling to your domestic customers (for example sales personnel, travel, advertising, entertainment etc);
- the cost of carrying out these activities in respect of like goods;
- for each activity, whether your firm carries out the same activity when selling to importers in Australia;
- an explanation as to why you consider that you are entitled to a level of trade adjustment.

or

- (b) *level discount*: the amount of the discount granted to purchasers who are at the same level of trade as the importer in Australia. This is determined by an examination of price differences between the two levels of trade in the exporter's domestic market, for example sales of like goods by other vendors or sales of the same general category of goods by the exporter. For this method to be used it is important that a clear pattern of pricing be established for the differing trade levels.

Such pattern is demonstrated by a general availability of the discounts to the level - isolated instances would not establish a pattern of availability.

Response: Not applicable since Jinxicheng just exported PUI to Australia through a trading company while most customers in domestic market are trading companies, so level of trade at home and abroad is same.

4. Credit

The cost of extending credit on domestic sales is not included in the amounts quantified at question D-4. However, Customs and Border Protection will examine whether a credit adjustment is warranted and determine the amount. An adjustment for credit is to be made even if funds are not borrowed to finance the accounts receivable.

The interest rate on domestic sales in order of preference is:

- the rate, or average of rates, applying on actual short term borrowings by the company; or
- the prime interest rate prevailing for commercial loans in the country for credit terms that most closely approximate the credit terms on which the sales were made; or
- such other rate considered appropriate in the circumstances.

Provide the applicable interest rate over each month of the review period.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, and if domestic prices are influenced by this longer or shorter period, calculate the average number of collection days.

Where there is no fixed credit period agreed at the time of sale the period of credit is determined on the facts available. For example, where payment is made using an open account system¹, the average credit period may be determined as follows:

1. *Calculate an accounts receivable turnover ratio*

This ratio equals the total credit sales divided by average accounts receivable. (It is a measure of how many times the average receivables balance is converted into cash during the year).

In calculating the accounts receivable turnover ratio, credit sales should be used in the numerator whenever the amount is available from the financial statements. Otherwise net sales revenue may be used in the numerator.

An average accounts receivable over the year is used in the denominator. This may be calculated by:

- using opening accounts receivable at beginning of period plus closing accounts receivable at end of period divided by 2, or
- total monthly receivables divided by 12.

2. *Calculate the average credit period*

¹ Under an open account system, following payment the balance of the amount owing is carried into the next period. Payment amounts may vary from one period to the next, with the result that the amount owing varies.

The average credit period equals 365 divided by the accounts receivable turnover ratio determined above at 1.

The resulting average credit period should be tested against randomly selected transactions to support the approximation.

Response: Credit is calculated on the basis of collecting period and short-term loan interest rate, collecting period is calculated by turnover and receivab account, the interest rate is determined by short-term loan contract.

The following items are identified in the amounts quantified at question D-4:

5. Transportation

Explain how you have quantified the amount of inland transportation associated with the domestic sales (“**Inland transportation Costs**”). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

Response: There is no transportation since all customers pick up product from Jinxiecheng.

6. Handling, loading and ancillary expenses

List all charges that are included in the domestic price and explain how they have been quantified (“**Handling, loading and ancillary Expenses**”). Identify the general ledger account where the expense is located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

Response: There is no transportation since all customers pick up product from Jinxiecheng.

7. Packing

List material and labour costs associated with packing the domestically sold product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed “**Packing**”.

Response: In Jinxiecheng’s accounting practice, packing cost is put into “production cost”, and it just contains material, labour is put into producion cost-direct labour. There is no adjustment for this item since packing is same for same products at home and abroad.

8. Commissions

For any commissions paid in relation to the domestic sales:

- provide a description
- explain the terms and conditions that must be met.

Report the amount in the sales listing under the column headed “**Commissions**”. Identify the general ledger account where the expense is located.

Response: No commission exsits in the sale of Jinxiecheng.

9. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses (“**Warranty & Guarantee expenses**” and “**Technical assistance & other services**”), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

Response: No warranties, guarantees and after sale services exists in the sale of Jinxicheng, the products are returned by customers if they do not meet the requirement stated in the contract or agreement, but this rarely happen in the practice.

10. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed “**Other factors**”. List the factors and show how each has been quantified in per unit terms. For example:

- *inventory carrying cost*: describe how the products are stored prior to sale and show data relating to the average length of time in inventory. Indicate the interest rate used;
- *warehousing expense*: an expense incurred at the distribution point;
- *royalty and patent fees*: describe each payment as a result of production or sale, including the key terms of the agreement;
- *advertising*; and
- *bad debt*.

Response: No other factors that affect the price comparability exist and require an adjustment.

E-3 Duplication

In calculating the amount of the adjustments you must ensure that there is no duplication. For example:

- adjustments for level of trade, quantity or other discounts may overlap, or
- calculation of the amount of the difference for level of trade may be based upon selling expenses such as salesperson’s salaries, promotion expenses, commissions, and travel expenses.

Separate adjustment items must avoid duplication.

An adjustment for quantities may not be granted unless the effect on prices for quantity differences is identified and separated from the effect on prices for level of trade differences.

Response: No such duplication exists in all the items of adjustment.

SECTION F EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA

This section should only be completed if you have exported aluminium extrusions to countries other than Australia.

Your response to this part of the questionnaire may be used by Customs and Border Protection to select sales to a third country that may be suitable for comparison with exports to Australia.

Sales to third countries may be used as the basis for normal value in certain circumstances. Customs and Border Protection may seek more detailed information on particular third country sales where such sales are likely to be used as the basis for determining normal value.

Information on exports to other countries may also be used to assist in calculating export costs and adjustments.

F-1 Using the column names and column descriptions below provide a summary of your export sales to countries other than Australia.

Column heading	Explanation
Country	names of the country that you exported like goods to over the review period
Number of customers	The number of different customers that your company has sold like goods to in the third country over the review period
Level of trade	the level of trade that you export like goods to in the third country over the review period
Quantity	Indicate quantity in units exported to the third country by year and quarter over the review period
Unit of quantity	Show unit of quantity e.g. kg
Value of sales	Show total value of sales (at either FOB or ex-works) exported to the third country by year and quarter over the review period
Shipment terms	Typical shipment terms to customers in the third country (e.g. CIF, FOB, ex-works)
Currency	Currency in which you have expressed sales data
Payment terms	Typical payment terms with customer(s) in the country (e.g. 60 days)

Prepare this information in the tab "**THIRD COUNTRY**" of the attached spreadsheet.

Response: Jinxicheng Group wishes to keep this information confidential as it is private company and information is confidential. The release of this to the third party, especially to the competitors will negatively impact its competitiveness, even summation of this information will contain information that is confidential by its nature.

F-2 Please identify any differences in sales to third countries which may affect their comparison to export sales to Australia.

Response: There is no differences in sales to third countries that may affect the comparison.

SECTION G – COSTING INFORMATION AND CONSTRUCTED VALUE

The information that you supply in response to this section of the questionnaire will be used for various purposes including:

- testing the profitability of sales of like goods on the domestic market (if applicable);
- determining a constructed normal value of the GUI - ie of the goods exported to Australia; and
- making certain adjustments to the normal value.

You will need to provide the cost of production of both the exported goods (GUI) and for the like goods sold on the domestic market. If you had domestic sales of the goods during the review period you will also need to provide the selling, general, and administration costs relating to those goods; the finance expenses; and any other expenses (eg. non-operating expenses not included elsewhere) associated with the goods.

In your response please include a worksheet showing how the selling, general, and administration expenses; the finance expenses; and any other expenses have been calculated.

If, in response to question B4 (Sales to Australia, Export Price) you:

- reported that the date of sale is not the invoice date and consider that this alternative date should be used when comparing domestic and export prices, and
- provided information on domestic selling prices for a matching period as required in the introduction to Section D (Domestic Sales)

you must provide cost data over the same period as these sales even if doing so means that such cost data predates the commencement of the review period.

At any verification meeting you must be prepared to reconcile the costs shown to the accounting records used to prepare the financial statements.

G-1. Production process and capacity

1. Describe the production process for the GUI. Provide a flowchart of the process. Include details of all products manufactured using the same production facilities as those used for the GUI. Also specify all scrap or by-products that result from producing the GUI.

Response: Jinxi Cheng Group wishes to keep this information confidential as it is private company and information is confidential. The release of this to the third party, especially to the competitors will negatively impact its competitiveness, even summation of this information will contain information that is confidential by its nature.

2. Provide information about your company's total production in the following table:

	Previous financial year 1 January 2010 – 30 December 2010	Financial year 1 January 2011 – 30 December 2011	Inquiry period 1 January 2012 - 30 December 2012

A – Production capacity (eg kg, tonnes)*			
B – Actual production in volume (eg kg, tonnes)			
C – Capacity utilisation (%) (B/A x 100)			

* rather than showing a 'name-plate' optimal capacity it is more meaningful to show the maximum level of production that may reasonably be attained under normal operating conditions. For example assuming: normal levels of maintenance and repair; a number of shifts and hours of operation that is not abnormally high; and a typical production mix.

Provide this information in the tab named " **Production**" in the attached spreadsheet.

Response :This confidential information is provided to the subject authority for investigation; as such data is classified as highly sensitive commercial information. Please refer to a summary of the information in an indexed form. Please refer to Exhibit15: Production.

G-2. Cost accounting practices

1. Outline the management accounting system that you maintain and explain how that cost accounting information is reconciled to your audited financial statements.

Response: Jinxiecheng's major accounting practices have been reported in its audited reports every year. Jinxiecheng's accounting department is required by the management to maintain a complete and reliable accounting system, which must generate various accounting information timely for the reference of management and shareholder. Jinxiecheng also retains the outside CPA to prepare its audited reports every year. Jinxiecheng records the raw material, work-in-process, and finished product inventories and cost of goods sold at actual cost. The valuation of inventory out of raw materials, work-in-process and finished product is weighted average method. No doubt, cost accounting information is reconciled to its financial statements, there will be some adjustments if auditors think there are some errors.

2. Is your company's cost accounting system based on standard (budgeted) costs? State whether standard costs were used in your responses to this questionnaire. If they were state whether all variances (ie differences between standard and actual production costs) have been allocated to the goods - and describe how those variances have been allocated.

Response: Jinxiecheng does not use standard cost accounting system.

3. Provide details of any significant or unusual cost variances that occurred during the review period.

Response: No significant or unusual cost variance occurred during the review period.

4. Describe the profit/cost centres in your company's cost accounting system.

Response: Workshop is cost centre which just focus on reducing cost and expense as much as possible, the whole company is profit centre which is responsible for both cost and income.

5. For each profit/cost centre describe in detail the methods that your company normally uses to allocate costs to the goods under investigation. In particular specify how, and over what period, expenses are amortised or depreciated, and how allowances are made for capital expenditures and other development costs.

Response: There are four workshops in the company, they are respectively casting workshop, extruding workshop, oxidation workshop and power coating workshop. Cost and expense are calculated and assigned to different workshop, so each workshop has its own cost which consist of different items like raw material, direct labour, energy and other items. Jinxiecheng will produce production cost statement each month. Depreciation from fixed assets will be amortised into monthly cost evenly according to straight line method. There is no other capital expenditure other than depreciation.

6. Describe the level of product specificity (models, grades etc) that your company's cost accounting system records production costs.

Response: Jinxiecheng produces Mill finished, Anode Oxidation, Electrophoresis coating and Powder coating .

7. List and explain all production costs incurred by your company which are valued differently for cost accounting purposes than for financial accounting purposes.

Response: There are no production costs incurred by the company which are valued differently for cost accounting purposes than for financial accounting purposes.

8. State whether your company engaged in any start-up operations in relation to the goods under inquiry. Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.

Response: Start-up operations happened at the beginning period of Jinxiecheng, about 20 years ago, there is no any start-up operation during the review period.

9. State the total cost of the start-up operation and the way that your company has treated the costs of the start-up operation in its accounting records.

Response: Please refer to the answer to the question of G-2-8.

G-3 Cost to make and sell on domestic market

This information is relevant to testing whether domestic sales are in the ordinary course of trade.²

1. Please provide (in the format shown in the table below) the actual unit cost to make and sell each model/type (identified in Section C) of the like goods sold on the

2 Customs and Border protection applies the tests set out in s.269TAAD of the Customs Act 1901 to determine whether goods are in ordinary course of trade. These provisions reflect the WTO Anti-Dumping Agreement – see Article 2.2.1.

domestic market. Provide this cost data for each quarter over the review period. If your company calculates costs monthly, provide monthly costs.

2. Indicate the source of cost information (account numbers etc) and/or methods used to allocate cost to the goods. Provide documentation and worksheets supporting your calculations.

Like Domestic Model/Type – from spreadsheet “LIKE GOODS”	Qtr 1: 1 January 2012 – 31 March 2012	Qtr 2: 1 April – 30 June 2012	Qtr 3: 1 July – 30 September 2012	Qtr 4: 1 October – 31 December 2012
Material costs ¹				
Direct labour				
Manufacturing overheads				
Other costs ²				
Total cost to make				
Selling costs				
Administration costs				
Financial costs				
Delivery expenses ³				
Other costs ³				
Unit cost to make and sell				

¹ Identify each cost separately. Include indirect material costs as a separate item only if not included in manufacturing overheads.

² Relating to costs of production only; identify each cost separately.

³ Identify each cost separately. Please ensure non-operating expenses **that relate to the goods** under investigation are included. Where gains/losses due to foreign currency exchange are incurred, please provide detail of the amounts separately for transaction and translation gains/losses.

Prepare this information in the tab named "**Domestic CTMS**" in the attached spreadsheet.

Provide this information for each quarter (or month if your company calculates costs on a monthly basis) over the period of the investigation.

Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.

If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.

Please specify unit of currency.

Response: Jinxiecheng Group wishes to keep this information confidential as it is private company and information is confidential. The release of this to the third party, especially to the competitors will negatively impact its competitiveness, even summation of this information will contain information that is confidential by its nature.

G-4 Cost to make and sell goods under inquiry (goods exported to Australia)

The information is relevant to calculating the normal values based on costs. It is also relevant to calculating certain adjustments to the normal value.

Model/Type exported to Australia – from spreadsheet “LIKE GOODS”	Qtr 1: 1 January 2012 – 31 March 2012	Qtr 2: 1 April – 30 June 2012	Qtr 3: 1 July – 30 September 2012	Qtr 4: 1 October – 31 December 2012
Material costs ¹				
Direct labour				
Manufacturing overheads				
Other costs ²				
Total cost to make				
Selling costs				
Administration costs				
Financial costs				
Delivery expenses ³				
Other costs ³				
Unit cost to make and sell				

¹ Identify each cost separately. Include indirect material costs as a separate item only if not included in manufacturing overheads.

² Relating to costs of production only; identify each cost separately.

³ Identify each cost separately. Please ensure non-operating expenses **that relate to the GUI** are included. Where gains/losses due to foreign currency exchange are incurred, please provide detail of the amounts separately for transaction and translation gains/losses.

Prepare this information in the tab named "**Australian CTMS**" in the attached spreadsheet.

Provide this information for each quarter (or month if your company calculates costs on a monthly basis) over the period of the investigation.

Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.

If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.

Please specify unit of currency.

Response: Jinxiacheng Group wishes to keep this information confidential as it is private company and information is confidential. The release of this to the third party, especially to the competitors will negatively impact its competitiveness, even summation of this information will contain information that is confidential by its nature.

G-5 Where there are cost differences between goods sold to the domestic market and those sold for export, give reasons and supporting evidence for these differences.

Response: No difference in cost between goods sold to the domestic market and those sold for export.

G-6 Give details and an explanation of any significant differences between the costs shown, and the costs as normally determined in accordance with your general accounting system. Reference should be made to any differences arising from movements in inventory levels and variances arising under standard costing methods.

Response: Not applicable since there is no such difference.

G-7 In calculating the unit cost to make and sell, provide an explanation if the allocation method used (eg number, or weight etc) to determine the unit cost differs from the prior practice of your company.

Response: Not applicable since there is no such difference.

G-8 Major raw material costs

List major raw material costs, which individually account for 10% or more of the total production cost. For these major inputs:

- identify materials sourced in-house and from associated entities;
- identify the supplier; and
- show the basis of valuing the major raw materials in the costs of production you have shown for the goods (eg market prices, transfer prices, or actual cost of production).
- Identify the value and type of any premiums incurred on primary aluminium costs which may include hot metal, T-bar, billet or ingot premiums (i.e. C&F China LME premium or CIF Japan premium).

Where the major input is produced by an associate of your company Customs and Border Protection will compare your purchase price to a normal market price. If the associate provides information on the cost of production for that input such cost data may also be considered.

Normal market price is taken to be the price normally available in the market (having regard to market size, whether the input is normally purchased at 'spot prices' or under long term contracts etc).

The term associate is defined in section 269TAA of the Customs Act. Included in that definition are companies controlled by the same parent company (a company that controls 5% or more of the shares of another is taken to be an associated company); companies controlled by the other company; and companies having the same person in the board of directors.

If the major input is purchased or supplied from an integrated production process you should provide detailed information on the full costs of production of that input.

Response: The major raw material for the GUI is alluminium ignots purchased from independent suppliers.

Jinxiecheng Group wishes to keep this information confidential as it is private company and information is confidential. The release of this to the third party, especially to the competitors will negatively impact its competitiveness, even summation of this information will contain information that is confidential by its nature.

SECTION H COUNTERVAILING

During the original investigation, Customs and Border protection found that aluminium extrusions exported to Australia from China were in receipt of countervailable subsidies.

Customs and Border Protection investigated 43 programs that were alleged to be countervailable subsidy schemes conferring benefit to aluminium extrusions. Of these, 19 programs were found to be countervailable subsidy programs that conferred benefits to aluminium extrusions exported to Australia from China during the original review period (1 July 2008 – 30 June 2009).

The following forms a list of those programs that were found to be countervailable programs that conferred benefit upon aluminium extrusions in the original investigation (using the numbering system from the original investigation)

This accelerated review will examine these programs, and enquire whether any other subsidy programs conferred benefit on the aluminium extrusions supplied during the accelerated review period (1 January 2012 – 30 December 2012):

Program 1: Preferential Tax Policies for Enterprises with Foreign Investment Established in the Coastal Economic Open Areas and in Economic and Technological Development Zones

Program 2: One-time Awards to Enterprises Whose Products Qualify for "Well-Known Trademarks of China" and "Famous Brands of China".

Program 3: Provincial Scientific Development Plan Fund

Program 4: Export Brand Development Fund

Program 5: Matching Funds for International Market Development for SMEs

Program 6: Superstar Enterprise Grant

Program 7: Research & Development (R&D) Assistance Grant

Program 8: Patent Award of Guangdong Province

Program 9: Training Program for Rural Surplus Labour Force Transfer Employment

Program 10: Preferential Tax Policies for Foreign Invested Enterprises - Reduced Tax Rate for Productive FIEs Scheduled to Operate for a Period not less than 10 Years

Program 13: Exemption of Tariff and Import VAT for Imported Technologies and Equipment

Program 15: Primary Aluminum Provided by Government at Less than Fair Market Value

Program 16: Preferential tax policies for enterprises with foreign investment established in Special Economic Zones (excluding Shanghai Pudong area)

Program 17: Preferential tax policies for enterprises with foreign investment established in Pudong area of Shanghai

Program 18: Preferential tax policies in the Western Regions

Program 26: Innovative Experimental Enterprise Grant

Program 29: Special Support Fund for Non-State-Owned Enterprises

Program 32: Venture Investment Fund of Hi-Tech Industry

Program 35: Grants for Encouraging the Establishment of Headquarters and Regional Headquarters with Foreign Investment\

Please provide the information requested in the following Section H-1 for each program identified above. In addition, please respond to the program-specific information requested in Section H-2.

Response: Not applicable since Jinxiecheng has not received any benefit or subsidy from any above-mentioned progarme in last 3 years.

PART H-1 – GENERAL QUESTIONS

For **each of the 19 programs** identified above, provide the following information:

1. Identify the amounts of the benefits received under the program from the GOC, by your business during the review period.

Response: Not applicable since Jinxiecheng has not received any benefit or subsidy from any above-mentioned progarme in last 3 years..

2. Provide copies of the accepted application form, all attachments and all contractual agreements entered into between your business and the GOC.

Response: Not applicable since Jinxiecheng has not received any benefit or subsidy from any above-mentioned progarme in last 3 years..

3. Outline the fees charged to, or expenses incurred by your business for purposes of obtaining benefits.

Response: Not applicable since Jinxiecheng has not received any benefit or subsidy from any above-mentioned progarme in last 3 years..

4. Specify the eligibility criteria your business had to meet in order to receive benefits under this program.

Response: Not applicable since Jinxiecheng has not received any benefit or subsidy from any above-mentioned progarme in last 3 years..

5. State whether eligibility was, or is currently contingent on one or more of the following criteria:

- a) whether or not your business exports or has increased its exports;
- b) the use of domestic rather than imported inputs;
- c) the industry to which your business belongs; or
- d) the region in which your business is located.

Response: Not applicable since Jinxiecheng has not received any benefit or subsidy from any above-mentioned progarme in last 3 years..

6. Specify the criteria your business actually met to receive the particular amount of assistance provided.

Response: Not applicable since Jinxiecheng has not received any benefit or subsidy from any above-mentioned progarme in last 3 years..

7. If the activity to be supported by the funding was specified in the approval documents, please identify the activity and provide supporting documentation.

Response: Not applicable since Jinxiecheng has not received any benefit or subsidy from any above-mentioned progarme in last 3 years..

8. What records does your business keep regarding each of the benefits received under this program? Provide your business' executed application forms and other relevant documents with respect to this program along with a detailed explanation.

Response: Not applicable since Jinxiecheng has not received any benefit or subsidy from any above-mentioned progarme in last 3 years..

9. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.

Response: Not applicable since Jinxiecheng has not received any benefit or subsidy from any above-mentioned progarme in last 3 years..

10. Has the program been terminated? If so, please explain. When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

Response: Not applicable since Jinxiecheng has not received any benefit or subsidy from any above-mentioned progarme in last 3 years..

PART H-2: SPECIFIC COUNTERVAILED PROGRAMS**(A) PREFERENTIAL INCOME TAX PROGRAM (PROGRAM 10)**

In addition to responding to questions 1 to 10 in part H-1 above for this program, please answer the following questions.

1. For each taxation year, complete the table below. Prepare this information in tab named "Income Tax" in the attached spreadsheet.

	Tax Year 2011		Tax Year 2012	
	Volume ³	Value (RMB)	Volume ⁴	Value (RMB)
Total volume and FOB value of domestic sales of all goods				
Total volume and FOB value of export sales of all goods				
Total net profit (loss)				
Corporate Income Tax Rate				
Total taxable income				
Total income taxes paid, exempted or refunded.				

Response: This confidential information is provided to the subject authority for investigation; as such data is classified as highly sensitive commercial information. Please refer to a summary of the information in an indexed form. Please refer to Exhibit 18: Income Tax.

2. Please provide a copy, bearing the official stamp of the appropriate level of the GOC of all:
- corporate income tax acknowledgement form(s) and the income tax return(s) that your company filed for the 2011 and 2012 tax years; and
 - income tax instalment payment receipts, and all applicable income tax forms and schedules for the 2011 and 2012 tax years.

Note: If your company did not file an income tax return in any of the tax years indicated, provide an explanation stating the reasons why you were exempt from filing such a return and the applicable section[s] of the Income Tax Act under which you were exempt from doing so.

Response: Jinxicheng Group wishes to keep this information confidential as it is private company and information is confidential. The release of this to the third party, especially to the competitors will negatively

³ Indicate the unit of measurement.

⁴ Indicate the unit of measurement.

impact its competitiveness, even summation of this information will contain information that is confidential by its nature.

3. Please provide copies of any applications submitted to the GOC relating to any income tax rate reduction(s) your business received or are entitled to receive.

Response: Not applicable since Jinxiecheng has not submitted any application to the GOC for tax rate reduction.

4. It is our understanding that the general tax rate for enterprises in China from 1 January 2008 is 25%. If your business currently pays corporate income tax at a rate less than 25%, or paid at a rate less than 25% during the accelerated review investigation period, please indicate whether the reduced rate relates to any of the preferential income tax programs identified above. If so, please answer questions 1 to 10 in Part H-1 above in relation to that program.

Response: Not applicable since Jinxiecheng's income tax rate is 25 percent.

5. If the income tax rate of less than 25% does not relate to any of the programs identified above, please provide an explanation for the reduced income tax rate and answer the questions 1 to 5 in Part H-1 above in relation to the income tax rate reduction, as well as questions 1 to 5 listed within Part H-3 of this section of the questionnaire.

Response: Not applicable since Jinxiecheng's income tax rate is 25 percent.

(B) GRANTS (PROGRAMS)

It is our understanding that the GOC may be providing grants to enterprises in China including the following identified programs:

- One-time Awards to Enterprises Whose Products Qualify for "Well-Known Trademarks of China" and "Famous Brands of China"
- Provincial Scientific Development Plan Fund
- Export Brand Development Fund
- Matching Funds for International Market Development for SMEs
- Superstar Enterprise Grant
- Research & Development (R&D) Assistance Grant
- Patent Award of Guangdong Province
- Training Program for Rural Surplus Labor Force Transfer Employment

In addition to responding to questions 1 to 5 in part H-1 above for these programs, please answer the following questions.

1. Has your business received any benefits from the GOC under any of the programs identified above or any other grant programs? If so, then indicate which program(s) and provide the following for each program for which you received benefits.

Response: Not applicable since Jinxiecheng has not received any benefit or subsidy from any above-mentioned programs in last 3 years.

2. For each level of government involved, please provide complete details for the following items in (a) to (e) in relation to the period 2002 to 2012:

- (a) Identify the government body responsible for the grant;
- (b) Provide details on the criteria necessary in order to qualify for the grant;
- (c) Provide a copy of the documentation required in order to obtain the grant;
- (d) Provide complete details involving the amount of the grant received; and
- (e) Indicate where the grant was accounted for on your business' financial statements.

Response: Not applicable since Jinxicheng has not received any benefit or subsidy from any above-mentioned programs in last 3 years.

(C) EXEMPTION OF TARIFF AND IMPORT VAT FOR IMPORTED TECHNOLOGIES AND EQUIPMENT (PROGRAM 13)

In addition to responding to questions 1 to 10 in part H-1 above for this program, please answer the following questions:

1. Has your business received or is it entitled to an exemption or refund of VAT on imported technologies or equipment at any time that were used in the production of the subject goods during the review period? If yes, provide the following information:
 - (a) type of imported technologies and equipment;
 - (b) cost of imported technologies and equipment;
 - (c) amount of VAT exempt or refunded.

Response: Not applicable since Jinxicheng has not received any benefit or subsidy from any above-mentioned programs in last 3 years.

2. Has your company received exemption from payment of, or refunds of, import duty and import VAT for imported material inputs (e.g. aluminium billets, ingots, scrap, etc.) at any time that were used in the production of the subject goods during the review period? If yes, provide the following information:

- (a) description of imported product;
- (b) country of origin;
- (c) quantity of imported product;
- (d) purchase price;
- (e) terms of purchase (f.o.b., c.i.f., etc);
- (f) ocean freight;
- (g) value for duty of imported product;
- (h) regular rate of taxes and duties;
- (i) concessionary rate of taxes and duties;
- (j) amount of duties and taxes normally applicable;
- (k) amount of duties and taxes paid;
- (l) amount of duties and taxes exempt;
- (m) date of importation;
- (n) tariff classification number;
- (o) customs entry number; and
- (p) application fee.

Response: Not applicable since Jinxicheng has not received any benefit or subsidy from any above-mentioned programs in last 3 years.

3. Explain how the GOC determines which imported inputs are consumed by your business in the production of the subject goods and in what amounts, and the amount of duty paid or payable on the inputs (including any allowance for waste). Please explain how the GOC determined the percentage rate of duty exemption.

Please note that goods consumed in the production of exported goods (inputs) include:

- (a) goods incorporated into the exported goods; and
- (b) energy, fuel, oil and catalysts that are used or consumed in the production of the exported goods.

Response: Not applicable since Jinxiecheng just sells product in demestic market and is not entitled to get any duty exemption for imported materials.

4. Please provide a representative sample of copies of import entry documents (for example: bill of entry, invoice from supplier, etc.) for each type of importation covering duty-exempt inputs and duty-paid inputs imported for use in the manufacturing of the subject goods.

Response: Not applicable since Jinxiecheng just sells product in demestic market and is not entitled to get any duty exemption for imported materials.

5. In addition to the import entry documents, you must also provide copies, if applicable, of any applications submitted to and/or approval document received from the GOC relating to the exemption from the payment of import duty and import VAT on imported inputs and in relation to the VAT that is refunded on the exportation of the subject goods.

Response: Not applicable since Jinxiecheng just sells product in demestic market and is not entitled to get any duty exemption for imported materials.

6. Provide copies of reports and audits by the GOC authority responsible for administering the duty rebate or duty drawback scheme with respect to the verification of the importation and use of inputs and the remittance or drawback of the related duty paid or payable.

Response: Not applicable since Jinxiecheng just sells product in demestic market and is not entitled to get any duty exemption for imported materials.

7. Indicate where on your financial statements you account for duties paid, duties levied but exempt, and any other import duty exemption or drawback programs. Please specify the pertinent ledgers or journals.

Response: Not applicable since Jinxiecheng just sells product in demestic market and is not entitled to get any duty exemption for imported materials.

(D) PURCHASE OF PRIMARY ALUMINIUM FROM SOEs (PROGRAM 15)

Refer to this questionnaire's glossary for a definition of 'primary aluminium'.

In addition to responding to questions 1 to 10 in part H-1 above for this program, please answer the following questions:

1. Does your business purchase any goods/services from SOEs, e.g., raw materials (including primary aluminium), energy, water, other utilities, etc?

Response: Jinxicheng just purchases water and electricity from SOE.

2. Provide a list, including a contact name and address, of all your suppliers of primary aluminium. Indicate whether the supplier is a SOE and where the supplier is not the manufacturer of the aluminium, indicate who the manufacturer is and whether the manufacturer is an SOE.

Response: This confidential information is provided to the subject authority for investigation; as such data is classified as highly sensitive commercial information. Please refer to a summary of the information in an indexed form. Please refer to Exhibit 20 :Aluminium Purchases.

Provide a detailed listing of all purchases of primary aluminium from each supplier you purchased from during the review period.

Prepare this information in the attached spreadsheet named "**Aluminium Purchases**".

Please specify the International Alloy Designation System (IADS) alloy code for the primary aluminium purchased.

Date of purchase	Supplier name	State-owned enterprise (SOE)? YES/NO [1]	Manufacturer	State-owned enterprise (SOE)? YES/NO [2]	Quantity	Quantity unit (e.g. kg/tonne)	Description (ingot/billet, IADS)	Total purchase price (RMB)	Delivery terms

Response: This confidential information is provided to the subject authority for investigation; as such data is classified as highly sensitive commercial information. Please refer to a summary of the information in an indexed form. Please refer to Exhibit 20 :Aluminium Purchases.

Please add more space for additional suppliers and aluminium IADS categories as required.

3. Did your business receive any reduction/reduced price for the purchase of these goods/services during the review period? If so, describe the eligibility criteria that your business had to meet in order to qualify for any reduction in the price paid for the goods/services.

Response: Jinxicheng has not received any reduction or reduced price for the purchase of these goods or service during the review period.

4. Provide copies of all contractual agreements that detail the obligations of the SOE and your business with reference to the granting and receipt of the assistance/benefits.

Response: There is no contractual agreements related to SOE which provide electricity and water for Jinxiecheng.

5. Did your business import any raw material during the review period? If yes, please provide details of all such imports, including date, source, type, amount and price.

Response: Not applicable since Jinxiecheng did not purchase any materials outside of China.

6. Explain the reason/s for your business' decision to purchase imported over Chinese manufactured raw material, including the key factors affecting the decision such as price, availability etc.

Response:

Not applicable since Jinxiecheng did not purchase any materials outside of China.

Part H-3: ANY OTHER PROGRAM NOT ADDRESSED ABOVE

If the GOC, any of its agencies or any other authorised non-governmental body has provided to your business in the last ten years under any other assistance programs (including market development assistance programs or any domestic support programs related to the manufacture of subject goods) not listed above, please identify the program(s).

Such assistance programs are those that constitute a subsidy as defined in the Glossary.

Please provide answers to questions 1 to 5 in Section H-1 for each additional program identified. In addition, please respond to the program-specific information requested in Section H-2 where applicable.

Please also respond to the following questions for each additional program identified:

1. Specify the eligibility criteria your business had to meet in order to receive benefits under this program.

response:

Not applicable since Jinxiecheng has not received any benefit or subsidy from programs not listed above.

2. State whether eligibility was, or is currently contingent on one or more of the following criteria:

- i. whether or not your business exports or has increased its exports;
- ii. the use of domestic rather than imported inputs;
- iii. the industry to which your business belongs; or
- iv. the region in which your business is located.

Response:

Not applicable since Jinxiecheng has not received any benefit or subsidy from programs not listed above.

3. Specify the criteria your business actually met to receive the particular amount of assistance provided.

Response:

Not applicable since Jinxiecheng has not received any benefit or subsidy from programs not listed above.

4. If the activity to be supported by the funding was specified in the approval documents, please identify the activity and provide supporting documentation.

Response:

Not applicable since Jinxicheng has not received any benefit or subsidy from programs not listed above.

5. Has the program been terminated? If so, please explain. When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

Response:

Not applicable since Jinxicheng has not received any benefit or subsidy from programs not listed above.

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