EXPORTER QUESTIONNAIRE

RESPONSE
Non - Confidential

Of

KUIBURI FRUIT CUP CO., LTD
"KFCU"

In relation to

Pineapple prepared or preserved in containers not exceeding one litre (consumer pineapple)

From

THAILAND

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 investigation:

Head Office:

Name: Doungkamon Jongsuebchoke

Position in the company: Chief of Financial Officer

Address: Kuiburi Fruit Cup Co., Ltd.

1 Moo 7 Tambol Kuiburi, Amphur Kuiburi, Prachuap Khiri Khan

77150 Thailand

Telephone: (66-32) 681-578-9

Facsimile number: (66-32) 681-580

E-mail address of contact person: doungkamonjo@kuiburifruit.co.th

Factory:

Address: Kuiburi Fruit Cup Co., Ltd. (KFCU)

1 Moo 7 Tambol Kuiburi, Amphur Kuiburi, Prachuap Khiri Khan

77150 Thailand

Telephone: (66-32) 681-578-9

Facsimile number: (66-32) 681-580

E-mail address of contact person: doungkamonjo@kuiburifruit.co.th

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

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

Name: John McDermott & Associates Pty Ltd.

Address: PO Box 3414 Belconnen Canberra ACT2617

Telephone: 0412543792

Facsimile/Telex number:

E-mail address of contact person: jmcd49@optusnet.com.au

Note that in nominating a representative, the Commission will assume that confidential material relating to your company in this investigation 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 (eg. company, partnership, sole trader)? Please provide details of any other business names that you use to export and/or sell goods.

    - Legal Name: Kuiburi Fruit Cup Co., Ltd.
    - Kind of Entity: Company Limited
    - Export under named: Kuiburi Fruit Cup Co., Ltd.

2. Please provide evidence showing the initiation of your business, including for example, articles of incorporation, business licences etc.

    - Refer to attachment A-3.2.

3. 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).

    - List of shareholders

Shareholders	%
Kuiburi Fruit Canning Co.,Ltd.	99.9990
Anupong	0.0005
Chuang	0.0005

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

    - List of shareholders

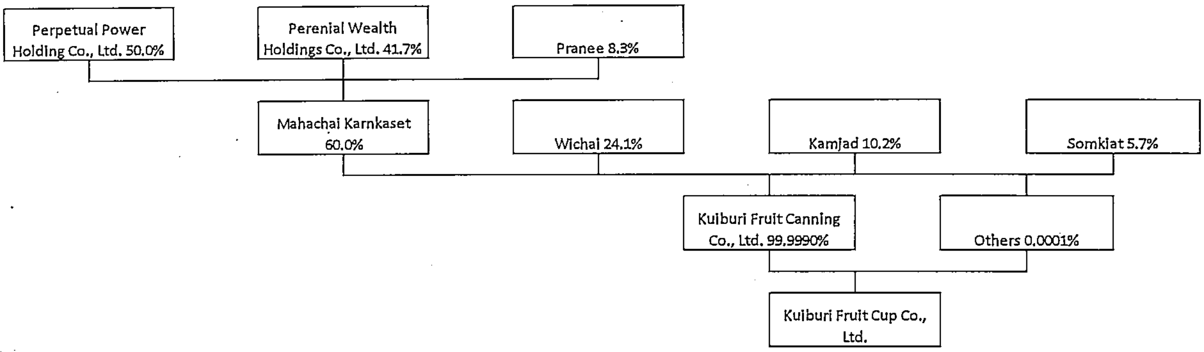
Shareholders	%
Mahachai Karnkaset	60.0
Wichai	24.1
Kamjad	10.2
Somkiat	5.7

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

    - List of shareholders

Shareholders	%
Perpetual Power Holding Co., Ltd.	50.0
Perenial Wealth Holdings Co., Ltd.	41.7
Pranee	8.3

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



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

   - Yes, Kuiburi Fruit Canning Co., Ltd (KFCC) charge management fee to Kuiburi Fruit Cup Co., Ltd. (KFCU)

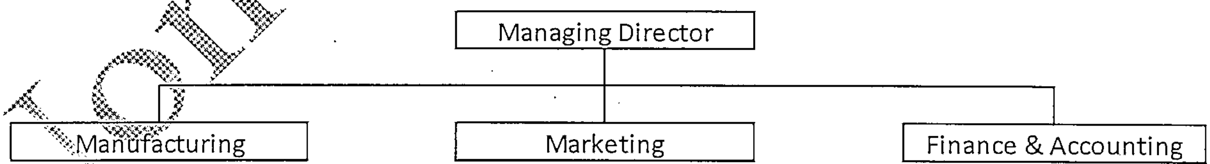
8. Describe the nature of your company's business. Explain whether you are a producer or manufacturer, distributor, trading company, etc.

   - Manufacturer and exporter of pineapple and tropical fruit salad in plastic cup.

9. If your business does not perform all of the following functions in relation to the goods under consideration, then please provide names and addresses of the companies which perform each function:

   - produce or manufacture : Kuiburi Fruit Cup Co., Ltd is manufacturer in Thailand.
   - sell in the domestic market : Kuiburi Fruit Cup Co., Ltd sell some plastic cup product in Thailand.
   - export to Australia : Kuiburi Fruit Cup Co., Ltd never sold plastic cup product in Australia.
   - export to countries other than Australia : Kuiburi Fruit Cup exported plastic cup product to USA.

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



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

    - Refer to attachment A-3.11.

A-4 General accounting/administration information

1. Indicate your accounting period.

   - January 01 – December 31

2. Indicate the address where the company's financial records are held.

   - Kuiburi Fruit Cup Co., Ltd.

   Address: Kuiburi Fruit Cup Co., Ltd.

   1 Moo 7 Tambol Kuiburi, Amphur Kuiburi, Prachuap Khiri Khan

   77150 Thailand

3. 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;
     - Refer to attachment A-4.3.

   - audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);
     - Audited financial statement for FY2015 and 2014 are at attachment A-4.3. (2016 not yet available)

   - 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 consideration.

   These documents should relate to:

   - the division or section/s of your business responsible for the production and sale of the goods under consideration; and
   - the company.
     - FY2016 internal income statement is at attachment A-4.3.

4. 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.

   - N/A

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

   - No.

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);
     - confidential method of valuation details

- 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);
  - confidential costing methods
- valuation methods for damaged or sub-standard goods generated at the various stages of production;
  - N/A
- valuation methods for scrap, by products, or joint products;
  - N/A
- valuation and revaluation methods for fixed assets;
  - Refer to note 3.5 Building and equipment in financial statement as attachment A-4.3.
- average useful life for each class of production equipment and depreciation method and rate used for each;
  - Refer to note 3.5 Building and equipment in financial statement as attachment A-4.3.
- treatment of foreign exchange gains and losses arising from transactions;
  - Refer to note 3.7 Foreign currencies in financial statement as attachment A-4.3.
- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;
  - Refer to note 3.7 Foreign currencies in financial statement as attachment A-4.3.
- inclusion of general expenses and/or interest;
  - Included in confidential income statements.
- provisions for bad or doubtful debts;
  - Refer to note 3.3 Trade accounts receivable in financial statement as attachment A-4.3.
- expenses for idle equipment and/or plant shut-downs;
  - N/A

- costs of plant closure;
    - N/A

- restructuring costs;
    - N/A

- by-products and scrap materials resulting from your company's production process; and
    - Scrap materials are accounted for as Other revenue.

- effects of inflation on financial statement information.
    - N/A

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.
    - N/A

A-5 Income statement

Please fill in the following table. It requires information concerning all products produced and for the goods under consideration (*'goods under consideration'* (the goods) is defined in the Glossary of Terms in the appendix to this form). You should explain how costs have been allocated.

- Refer to attachment A-5.

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:

- Refer to attachment A-6.

SECTION B
SALES TO AUSTRALIA (EXPORT PRICE)

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 the Commission may also compare prices at the ex factory level.

*You should report prices of **all** goods under consideration (the goods) **shipped** to Australia during the investigation 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 investigation period.*

- Kuiburi Fruit Cup Co., Ltd never sold any pineapple in plastic cup to Australia.

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

name;

address;

contact name and phone/fax number where known; and

trade level (for example: distributor, wholesaler, retailer, end user, original equipment).

- N/A

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.

(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.

(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.

(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).

(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.

(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).

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

- N/A

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.

- N/A

B-4 Prepare the spreadsheet named **"Australian sales"**

List all shipments (i.e. transaction by transaction) to Australia of the goods under consideration in the investigation period.

You must provide this list in electronic format. Include the following export related information:

- N/A

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.

- N/A

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.

- N/A

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.

- N/A

B-8 If the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (eg. 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)

- N/A

B-9 Select two shipments, in different quarters of the investigation 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.

The Commission will select additional shipments for payment verification at the time of the visit.

- N/A

SECTION C
EXPORTED GOODS & LIKE GOODS

- Kuiburi Fruit Cup Co., Ltd never sold any pineapple in plastic cup to Australia.

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

Please advise

- the type of pineapple, eg. "chunks", tidbits", "slices", "pizza cuts", "bits";
- the type of syrup – heavy or light
- the packaging type and volume, eg. XXXg can, XXXg plastic cup
- N/A

C-2 List each type of goods exported to Australia (these types should cover all types listed in spreadsheet **"Australian sales"** – see section B of this questionnaire).

- N/A

C-3 If you sell like goods on the domestic market, for each type that your company has exported to Australia during the investigation period,

- list the most comparable model(s) sold domestically; and
- provide a detailed explanation of the differences where those goods sold domestically (ie. the like goods – see explanation in glossary) are not identical to goods exported to Australia.

EXPORTED TYPE	DOMESTIC TYPE	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

- N/A

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.

- Refer to confidential attachment C-4

SECTION D
DOMESTIC SALES

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

*All domestic sales made during the investigation period 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 the Commission requirements. If agreement cannot be reached as to the appropriate method the Commission may not visit your company.*

The Commission will normally take the invoice date as being the date of sale in order to determine which sales fall within the investigation period.

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 –

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

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

- In investigation period, Kuiburi Fruit Cup Co., Ltd did not sell GUC in domestic.

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.

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.

- N/A

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.

- N/A

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
  - N/A
- whether price includes the cost of delivery to customer.
  - N/A

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

- N/A

D-4 Prepare the spreadsheet named "**Domestic Sales**"

List **all** sales of like goods made during the investigation period. The listing must be provided on a CD-ROM. Include all of the following information:

- N/A

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.

- N/A

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.

- N/A

D-7 Select two domestic sales, in different quarters of the investigation period, that are at the same level of trade as the export sales. Provide a <u>complete</u> 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.)

- N/A

The Commission will select additional sales for verification at the time of our visit.

SECTION E
FAIR COMPARISON

Section B sought information about the export prices to Australia and Section D sought information about prices on your domestic market for like goods (ie. 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. The Commission 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 the Commission 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 investigation 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. The Commission 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**')

- Kuiburi Fruit Cup Co., Ltd never sold GUC to Australia.

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.

- N/A

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.

- N/A

3. Credit

The cost of extending credit on export sales is not included in the amounts quantified at question B4. However, the Commission will examine whether a credit adjustment is warranted and determine the amount. Provide applicable interest rates over each month of the investigation period. Explain the nature of the interest rates most applicable to these export sales eg, 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.

- N/A

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'**.

- N/A

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.

- N/A

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.

- N/A

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.

- N/A

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 investigation (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 investigation period.

- N/A

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 (i.e. an amount for selling general and administrative costs (S G & 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.

- Refer to confidential attachment C-4

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 <u>the import duty borne by the domestic sales</u>. (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;

<u>Substitution drawback systems</u>

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.

- N/A

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 <u>a clear pattern</u> 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.

- N/A

4. Credit

The cost of extending credit on domestic sales is not included in the amounts quantified at question D-4. However, the Commission 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 borrowing's 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 investigation 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 system[1], 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

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.

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

- N/A

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.

- N/A

6. Handling, loading and ancillary expenses

[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.

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.

- N/A

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"**.

- N/A

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.

- N/A

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.

- N/A

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.*

- N/A

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.

- N/A

SECTION F
EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA (THIRD COUNTRY SALES)

Your response to this part of the questionnaire may be used by the Commission 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. The Commission 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.

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

Supply this information in spreadsheet file named **"Third country"**

Column heading	**Explanation**
Country	Name of the country that you exported like goods to over the investigation period.
Number of customers	The number of different customers that your company has sold like goods to in the third country over the investigation period.
Level of trade	The level of trade that you export like goods to in the third country.
Model/grade/type	commercial model/grade or type of the goods
Quantity	Indicate quantity, in units, exported to the third country over the investigation period.
Unit of quantity	Show unit of quantity eg kg
Value of sales	Show net sales value to all customers in third country over the investigation period
Currency	Currency in which you have expressed data in column SALES
Payment terms	Typical payment terms with customer(s) in the country eg. 60 days=60 etc
Shipment terms	Typical shipment terms to customers in the third country eg CIF, FOB, ex-factory, DDP etc.

- Refer to confidential attachment F-1

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

- Kuiburi Fruit Cup Co., Ltd never sold GUC in Australia.

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;*
- *determining a constructed normal value of the goods under consideration (the goods) - 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 (the goods) and for the like goods sold on the domestic market. You will also need to provide the selling, general, and administration costs relating to goods sold on the domestic market; 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 investigation 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 goods. Provide a flowchart of the process. Include details of all products manufactured using the same production facilities as those used for the goods. Also specify all scrap or by-products that result from producing the goods.

   - Refer to confidential attachment G-1.

G-2. Provide information about your company's total production:

Provide this information on a spreadsheet named "**Production**".

	PREVIOUS FINANCIAL YEAR	MOST RECENT FINANCIAL YEAR	Investigation Period
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.

- Refer to confidential attachment G-2.

G-3. 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.
   - We use xxx program.

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.

- No, our company's cost accounting system is not based on standard (budgeted) cost.

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

- N/A

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

- Refer to confidential attachment G-3.4

5 For each profit/cost centre describe in detail the methods that your company normally uses to allocate costs to the goods under consideration. 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.

- Cost centre 3110, 3120, 3130 and 4110 are cost and are allocated by kilogram net weight.

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

- We do not separate product by models, grades etc.

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

- N/A

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

- N/A

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 it its accounting records.

- N/A

G-4 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 Prepare this information in a spreadsheet named "**Domestic CTMS**".

	Quarter X	Quarter X	Quarter X	Quarter X	Investigation Period
Like Domestic Model/Type – from spreadsheet LIKE GOOD (section C-3)					
Material Costs[1]					
Direct Labour					
Manufacturing Overheads					
Other Costs[2]					
Total Cost to Make					
Production Volume					
Unit Cost to Make					
Selling Costs					
Administration Costs					
Financial Costs					
Delivery Expenses[3]					

[2] *The Commission 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.*

Other Costs[3]					
Total SG&A					
Sales Volume					
Unit SG&A					
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 consideration** 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.

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

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.

- N/A

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.

- Refer to confidential attachment G-4.2.

G-5 Cost to make and sell goods under consideration (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.

- Kuiburi Fruit Cup Co., Ltd never sold GUS in Australia.

1 Prepare this information in a spreadsheet named "**Australian CTMS**".

	Quarter X	Quarter X	Quarter X	Quarter X	Investigation Period
Model/Type exported to Australia – from spreadsheet LIKEGOOD					
Material Costs[1]					
Direct Labour					
Manufacturing Overheads					
Other Costs[2]					
Total Cost to Make					
Production Volume					

Unit Cost to Make					
Selling Costs					
Administration Costs					
Financial Costs					
Delivery Expenses[3]					
Other Costs[3]					
Total SG&A					
Sales Volume					
Unit SG&A					
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** 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.

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

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.

- N/A

2 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.

- N/A

3 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.

- N/A

4 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.

- N/A

G-6 Major raw material costs

List major raw material costs, which individually account for <u>10% or more</u> *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).

Where the major input is produced by an associate of your company the Commission 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 persons in the board of directors.

Important note: If the major input is sourced as part of an integrated production process you should provide detailed information on the full costs of production of that input.

Major Raw Material	Supplier	Price
Pineapple	Kuiburi Fruit Canning	xxx price
Plastic Cup	Printpack (Suzhou)	xxx price
Sugar	Saraburi Sugar	xxx price

- Refer to confidential attachment G-6.

SECTION H
EXPORTER'S DECLARATION

☑ I hereby declare that....Kuiburi Fruit Cup Co., Ltd....(company)

did, during the period of investigation export the goods under consideration and have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

☐ I hereby declare that...(company)

did not, during the period of investigation, export the goods under consideration and therefore have not completed the attached questionnaire.

Name: ....Mr. Chuang Jongsuebchoke.....

Signature: ....

Position in Company: .....Managing Director....

Date: ......31 March 2017.....

LIST OF ATTACHMENT

Attachment No.	Description
A-3.2	Initiation of business
A-3.11	Company brochure
A-4.3	Financial documents
A-5	Income statement
A-6	Sales summary
C-4	Product specification
F-1	Third country sales and CTMS
G-1	Production Process
G-2	Production
G-3.4	Cost centres
G-4.2	Source of cost information
G-6	Major raw material cost