



Exporter Questionnaire

Product: Zinc coated (galvanised) steel
From: the People's Republic of China and Taiwan
Period of Review: 1 April 2016 to 31 March 2017
Response due by: 29 May 2017¹

Important note: The timeliness of your response is important. Please refer below for more information.

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Return completed questionnaire to: Operations1@adcommission.gov.au

OR

Attention: Director Operations 1
Anti-Dumping Commission
GPO Box 1632
Melbourne
Victoria 3000
Australia

Please note that a non-confidential version of the reply to this questionnaire must also be provided.

¹ As this falls on a Saturday, the effective due date is the next business day, being 31 October 2016.

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BACKGROUND AND GENERAL INSTRUCTIONS

Background

The Anti-Dumping Commission (the Commission) has initiated, at your request, an accelerated review of the anti-dumping measures applying to certain zinc coated (galvanised) steel (the goods) exported to Australia from the Republic of China (China) by Shandong Guanzhou Dingxin Plate Technology Co., Ltd (Shandong). The review will be limited to examining whether the variable factors relevant to the taking of anti-dumping measures as they affect Shandong.

The anti-dumping measures were initially imposed by public notice on 5 August 2013 by the then Attorney-General following consideration of *International Trade Remedies Branch Report No. 190* (REP 190), Anti-Dumping Notice No. 2013/66 refers.

The procedures to be followed during an accelerated review can be accessed on the Commission's website at www.adcommission.gov.au.

The goods under consideration (GUC)

The goods subject to anti-dumping measures, in the form of a dumping duty notice are:

flat rolled products of iron and non-alloy steel, of a width less than 600mm and, equal to or greater than 600mm, plated or coated with zinc; and

flat rolled products of alloyed steel, of a width less than 600mm and, equal to or greater than 600mm, plated or coated with zinc.

The goods subject to the anti-dumping measures do not include:

Painted galvanised steel, pre-painted galvanised steel, electro-galvanised plate steel and corrugated galvanised steel

Goods identified as galvanised steel, as per the description above, are classified to the following tariff subheadings in Schedule 3 to the Customs Tariff Act 1995:

- 7210.49.00 statistical code 55, 56, 57 and 58;
- 7212.30.00 statistical code 61;
- 7225.92.00* statistical code 38; and
- 7225.92.00* statistical code 71.

The goods exported to Australia from China under tariff subheadings 7210.49.00 and 7212.30.00 are subject to a 2 per cent rate of customs duty. As a result of the Australia and China Free Trade Agreement the customs duty is progressively reducing by 1 per cent at the beginning of each calendar year, and will be duty free from 1 January 2019. The goods exported to Australia from China under tariff subheading 7225.92.00 are, as a result of the Australia and China Free Trade Agreement, duty free from 1 January 2017.

Why you have been asked to fill out this questionnaire?

The Commission will use the information you provide to determine your normal value and export prices over the review period (1 April 2016 to 31 March 2017). This information will determine whether the variable factors have changed, and whether the measures, as they apply to you, require amending. You may make separate submissions concerning any other matter.

The review will be carried out pursuant to the provisions of Part XVB of the *Customs Act 1901*.

What happens if you do not respond to this questionnaire?

You do not have to complete the questionnaire. However, if you do not respond, do not provide all of the information sought, do not provide information within a reasonable time period, or do not allow the Commission to verify the information, we may deem you uncooperative. In that case the Commission may be required to rely on information supplied by other parties (possibly information supplied by the Australian industry).

It is in your interest, therefore, to provide a complete and accurate submission, capable of verification.

Due date for response

Please respond to this questionnaire and return it to the Commission within the time specified on the cover page.

The Commissioner must consider the direction from the Minister for Industry, Innovation and Science as set out in the *Customs (Extensions of Time and Non-cooperation) Direction 2015* (the Direction). This Direction sets out the particular considerations that the Commissioner must take into account when:

- deciding whether a longer period is reasonably required or practicable under subsection 269TC (6) and 269TC (9) of the *Customs Act 1901* (the Act), or considering whether to allow any interested party a longer period to give any response;
- considering an insufficient response from an interested party;
- determining whether to have regard to a late response;
- determining whether an exporter is an uncooperative exporter;
- determining whether or not an entity is a non-cooperative entity for the purposes of section 269TAACA; and
- determining whether an entity has significantly impeded a case.

The full text of the Direction and the accompanying explanatory statement is available on the Comlaw website at www.legislation.gov.au. This and other reforms to Australia's anti-dumping system are explained in Anti-Dumping Notice 2015/129, available on the Commission's website at www.adcommission.gov.au.

Confidential and non-confidential submissions

You are required to lodge one confidential version (for official use only) and one non-confidential version (for public record) of your submission by the due date.

Please ensure that *each page* of information you provide is clearly marked either "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD".

All information provided to the Commission in confidence will be treated accordingly. The non-confidential version of your submission will be placed on the public record.

Please note, Australia's anti-dumping and countervailing legislation requires that to the extent that information given to the Commission is claimed to be confidential or whose publication would adversely affect a business or commercial interest, the person giving the information must ensure that a summary of that information contains sufficient detail to allow a reasonable understanding of the substance of the information, but does not breach confidentiality nor adversely affect those interests.

The legislation allows that a person is not required to provide a summary for the public record if the Commission can be satisfied that no such summary can be given that would allow a reasonable understanding of the substance of the information. However, such a summary would add considerably to an interested party's understanding of information contained in a document.

As provided for in Australia's anti-dumping and countervailing legislation, all submissions are required to have a bracketed explanation of deleted or blacked out information for the non-confidential version of the submission. Note that if such an explanation is not provided, the Commission may disregard the information in the submission. An example of a statement to accompany deleted/blacked out text is:

[explanation of cost allocation through the divisions].

If, for some reason, you cannot produce a non-confidential summary, please contact the case manager for the reviews.

Exporter's declaration

At section I, you are required to make a declaration that the information contained in your submission is complete and correct. Alternatively, if you did not export the goods during the period of review, you may make a declaration to that effect.

You must return a signed declaration with your response to the questionnaire.

Verification of the information that you supply

The Commission may seek to verify the information provided in your submission at your premises. The purpose of the visit is to verify the information submitted in response to this questionnaire. It is not meant to be a chance for you to provide new or additional information. The Commission expects your response to the questionnaire to be complete and accurate.

Verification visits take several days. We will want to examine in detail your company's records in respect of the goods and will ask for copies of documents relating to the manufacture and sale of the goods. We will need to consult with your staff, particularly your financial controller (or accountant) and your domestic and export sales people. We may also need to see your factory, in which case we will need to consult with your operational managers.

If the Commission does not perform in-country verification...

After gathering the information, we will prepare a report of the verification processes that have been undertaken. We will provide you with a draft of the report and then respond to any questions you have. We will ask you to prepare a non-confidential copy of the report for the public record.

If you do not manufacture the goods

You may export but not produce or manufacture the goods (for example, you are a trading company, broker, or vendor dealing in the goods).

In such cases it is important that you forward a copy of this questionnaire to the relevant manufacturers **immediately**. You should also inform the review case officer of the contact details for these manufacturers.

You should complete those sections of the questionnaire that you are reasonably able to complete. If, for example, you are unable to supply details of production costs, you should clearly explain why the section does not apply to your company.

If you do not export the goods

Depending on the arrangement for sale of the goods to Australia through an intermediary, the Commission will have to determine who is the exporter of the goods for the purpose of a review.

In any case, information (such as cost of production data) supplied by the manufacturer will be relevant to establishing the normal value of the goods. In the absence of verified information, the Commission may use other available information. This information may result in a decision less favourable to your company.

Outline of information required by this questionnaire

Section A	General information relating to your company including financial reports.
Section B	A complete list of your company's exports to Australia over the review period.
Section C	A list of goods sold on the domestic market of the country of export (like goods) that may be compared to the goods under consideration (the goods).
Section D	A detailed list of all of your company's sales of like goods in your domestic market.
Section E	Information to allow a fair comparison between export and domestic prices.
Section F	Information in relation to your company's exports of like goods to countries other than Australia.
Section G	Costs to make and sell, for exports to Australia and for the domestic market.
Section H	Particular Market Situation
Section I	Your declaration.
Section J	A checklist.
Appendix 1	A glossary of terms used in this questionnaire

Some general instructions for preparing your response

- When answering the questionnaire please carefully read all instructions. The Commission requires a response to *all* sections of this questionnaire. Please provide an explanation if a question is not relevant to your situation.
- Answer questions in the order presented in the questionnaire. Please ensure that information submitted conforms to the requested format and is clearly labelled. Please repeat the question to which you are responding and place your answer below it.

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- Identify source documents and advise where they are kept. During on-site verification you should be prepared to substantiate all the information you have submitted. Every part of the response should be traceable to company documents that are used in the ordinary course of business.
- We recommend that you retain all work sheets used in answering the questionnaire, in particular those linking the information supplied with management and accounting records. This will help us to verify the information.
- Clearly identify all units of measurement and currencies used. Apply the same measurement consistently throughout your response to the questionnaire.

Instructions on providing electronic data

- It is important that information is submitted in electronic format.
- Electronic data should be emailed or submitted on a CD-ROM, in IBM/MS-DOS format, or another operating system whose disk format is compatible with this MS-DOS version.
- The data must be created as spreadsheet files, preferably in Microsoft Excel, or alternatively in an Excel compatible format (for example, Excel can normally access data in Dbase or as an ASCII file).
- The Excel files must be compatible to the USA version.
- If you cannot present electronic data in the requested format, contact the review case officer as soon as possible.

Further information

Before you respond to the questionnaire you should read all the documentation enclosed with this application including the applicant's non-confidential submission and the Anti-Dumping Notice notifying the initiation of the reviews. We also advise that you read the attached glossary of terms.

If you require further assistance, or you are having difficulties completing your submission, please contact the case manager for the reviews. The Commission will need to know the reasons.

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 your review:

Head Office:

Name: Young Lee

Position in the company: Sales Manager

Address: No.389, Zhenxing East Road, Guan County, Liaocheng, ShanDong China

Telephone: +86 18806355138

Facsimile number:0635-5289579

E-mail address of contact person: gzgfldy@126.com

***Factory: Shandong Guanzhou DingXin Plate Technology Co., Ltd.
Address: Guan County Industrial Park, Shandong***

Telephone: 0635-5289979

Facsimile number:0635-5289579

E-mail address of contact person: gzgfldy@126.com

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

If you wish to appoint a representative to assist you in your review, provide the following details:

Name: Mr. M. Jack Howard and Mr. M L Bilston

Telephone: 61 459 21 2702.

E-mail address of contact person: jack@itada.com.au

Name: Tao Wang

***Address: Room 801,08/F, Office Tower2, Kunsha Center,No.16 Xinyuanli,
Chaoyang District,
Beijing 100027, P.R.China.***

Telephone: +86-13501092768

Email: wangtao@rayyinlawyer.com

Please refer to POA attached with the response.

Note that in nominating a representative, the Commission will assume that confidential material relating to your company in your review 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.

Answer: The legal name of the company is Shandong Guanzhou Dingxin Plate Technology Co., Ltd. (“Dingxin” or “the Company”), and the company type, according to Chinese corporation, is an “Other Limited Liability Corporation”. There are no other names being used when export and/or sell goods.

2. 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).

Answer:

Shandong Guanzhou Co., Ltd. and four other natural persons are the principal shareholders of the company, please refer to the shareholding structure of the company:

Name of Shareholder	Shareholding percentage
Shandong Guanzhou Co., Ltd.	[confidential]
Zhang Zhao	[confidential]
Shen Yuhua	[confidential]
Wang Guangdong	[confidential]
Zhou Lifu	[confidential]

Note: On 13th March 2017, Shandong Guanzhou Co., Ltd. (“Guanzhou”), as the principle shareholder raised its investment by [confidential].

Public summary:

Information bracketed are shareholding information, which are business proprietary information shall not be disclosed to other parties.

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

Answer: The Company is a subsidiary of Shandong Guanzhou Co., Ltd., and shareholders of Guanzhou are as following:

Shareholder	Shareholding percentage
Guan County Guanxin Asset Management Co., Ltd.	[confidential]
Guanxian Guanrun Industrial Co., Ltd.	[confidential]
Guanxian Tinsplate Factory	[confidential]
Guanxian Supply and marketing Co., Ltd.	[confidential]

Wang Ruimin	[confidential]
Gao DongJun	[confidential]
Bing Jingguo	[confidential]

Public summary:

Information bracketed are shareholding information, which are business proprietary information shall not be disclosed to other parties.

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

Answer: The parent company of Dingxin, Guan County Guanxin Asset Management Co., Ltd. are invested by eight natural persons, which are Zhang Guiyun, Zhang Zhao, Tian Fuqiang, Zhao Zhenguo, Shen Yushu, Wang Zimin, Wang Xinjie, and Shen Yuhua.

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

Answer: Please refer to Appendix A-3.5 Corporate Structure.

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

Answer: Negative, there are no such fees charged by the parent company or related company from Dingxin.

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

Answer: The nature of this company's business is Technical development of coated steel sheet/coil, cold-rolled steel sheet/coil, galvanized sheet/coil, color coating steel sheet/coil production, sales and import and export business. This company is a producer.

8. 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
- sell in the domestic market
- export to Australia, and
- export to countries other than Australia.

Answer: This Company performs all the above functions in relation to the goods under consideration, though the company has made no sales of the goods under consideration to Australia until now.

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

Answer: For the internal organisation chart, please refer to Appendix A-3.9 Organization Chart.

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

Answer: Not applicable, Dingxin doesn't have annual report, and the company provides auditor's report as substitute. Please refer to Appendix A-4.3 Auditor's Report 2015-2016.

A-4 General accounting/administration information

1. Indicate your accounting period.

Answer: The accounting period of the company is January 1st to December 31st

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

Answer: The company's financial records are held at Guan County Industrial Park, Shandong, China.

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;
- 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 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.

Answer: For the above-mentioned documents, please refer to the following appendixes:

Appendix A-4.3(1) Chart of Accounts

Appendix A-4.3(2) Auditor's Report 2015-2016

It should be noted that the company only maintains report for the whole company, and there are no such documents specially made for the goods under consideration.

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.

Answer: Accounts of the company have been audited, please refer to Appendix A-4.3(2) Auditor's Report 2015-2016.

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

Answer: There is no difference between this company's accounting practice 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 (e.g. last in first out –LIFO, first in first out- FIFO, weighted average);

Answer: Entry value of the raw material have been valued using actual purchase value plus expenses incurred, and exit value of the raw material and finished goods are valued using weighted average method.

- costing methods, including the method (e.g. by tonnes, units, revenue, direct costs etc.) of allocating costs shared with other goods or processes (such as front office cost, infrastructure cost etc.);

Answer: The Company accounts cost of the goods under consideration in tonnes, and it accounts the costs for different kinds of products on the basis of workshops, within each workshop, and raw material cost (steel coil and zinc) are direct apportioned, while labour and manufacturing overhead are allocated according to production quantity.

- valuation methods for damaged or sub-standard goods generated at the various stages of production;

Answer: There are very few damaged goods or sub-standard goods in the normal production process, and the costs of them are same with commercial goods.

- valuation methods for scrap, by products, or joint products;

Answer: The Company don't account cost of scrap or by products, and sales revenues of them are recorded in the Non-operating income.

- valuation and revaluation methods for fixed assets;

Answer: The Fixed Assets shall be valued at the actual costs; The book value of the Fixed Assets transferred through non-monetary transactions shall be determined according to the <<Accounting Standards for Business Enterprises - Non-monetary Transactions>>.

Depreciation of Fixed Assets is calculated using the straight-line method and the depreciation rate is determined by the estimated useful life of each category of Fixed Assets and 5% of the estimated net residual value. No depreciation is withdrawn for the land owned by The Company.

- average useful life for each class of production equipment and depreciation method and rate used for each;

Answer: Please refer to the following:

Categories	Useful Life	Residual Rate (%)	Annual Depreciation Rate(%)
buildings	20	5	4.75
Machinery equipment	10	5	9.5
Transport equipment	4	5	23.75
office equipment and others	3-5	5	19-31.67

- treatment of foreign exchange gains and losses arising from transactions;

Answer: The Company uses exchange rates publicized by People's Bank of China to convert sale income from foreign currency to CNY, at the end of each accounting period, differences generated from different exchange rates in the accounting value or actual value of foreign currency will be accounted as Exchange gains and losses.

- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;

Answer: The Company only use CNY as accounting book value, therefore, there are no gains or losses arising from the translation of balance sheet items.

- inclusion of general expenses and/or interest;

Answer: Interest gain and loses arising from the translation of balance sheet items are accounted in financial expenses.

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- provisions for bad or doubtful debts;

Answer: At the end of the year the Company needs to account Receivables provision for bad debts.

At the end of the year if there is objective evidence shows that account receivable occurs impairment, the book value shall be reduced to recoverable amount, the written down amount shall be recognized as assets impairment loss and accounted into current profit and loss.

- expenses for idle equipment and/or plant shut-downs;

Answer: Not applicable, because there is no idle equipment or plant shut-down in the Company.

- costs of plant closure;

Answer: Not applicable, because there is no plant closure for the Company.

- restructuring costs;

Answer: Not applicable, because there is no restructuring for the Company.

- by-products and scrap materials resulting from your company's production process; and

Answer: There are no by-products resulting from the production process of the goods under consideration. For the scrap materials, the Company sells them and records the sale income in the Other Operation Income account.

- effects of inflation on financial statement information.

Answer: Not applicable, the Company doesn't consider effects of inflation on financial statements.

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.

Answer: The accounting methods used by the company have not changed over the last two years.

A-5 Income statement

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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.

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.

Answer: Please refer to Appendix A-5 Income Statement.

A-6 Sales

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

Prepare this information in a spreadsheet named "TURNOVER".

This information will be used to verify the cost allocations to the goods under consideration 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.

Answer: Please refer to Appendix A-6 TURNOVER.

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 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 in the review period list:

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

Answer: The company did not export to Australia in the review period.

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.

Answer: Not applicable. The company did not export to Australia in the review period.

- (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.

Answer: Not applicable. The company did not export to Australia in the review period.

- (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.

Answer: Not applicable. The company did not export to Australia in the review period.

- (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).

Answer: Not applicable. The company did not export to Australia in the review period.

- (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.

Answer: Not applicable. The company did not export to Australia in the review period.

- (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).

Answer: The company does not have relation with its Australian customers.

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

Answer: Not applicable. The company did not export to Australia in the review period.

- 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.

Answer: Not applicable, the export selling price does not vary according distribution channel.

- B-4** Prepare a spreadsheet named "Australian sales" listing all shipments (i.e. transaction by transaction) to Australia of the goods under consideration in the review period. You must provide this list in electronic format. Include the following export related information:

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

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	and in a separate table list each code and name.
Related / Non Related	Non Related
Level of trade	Very good
Base Metal Thickness (BMT)	From 0.6mm to 5.8mm
Coating Mass	From z60 to z600
Standard / Grade	According to ASTM A653 or JIS3302
Quality	A B C three grades
Width	From 600-1500mm
Type	Coil or Sheet
Finish	Relates to Commercial model grade or type
Base Steel	hot rolled and cold rolled steel
Product Code	HS code 72104900.
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	CIF, C&F, FOB (in accordance with Incoterms)
Payment terms	By L/C OR TT
Quantity (pcs)	Number of pieces of sold (if shown on the invoice).
Units of Quantity	Weight of this product shown on the invoice.
Gross invoice value	gross invoice value shown on invoice <i>in the currency of sale, excluding taxes.</i>
Discounts	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.
Rebates	The amount of any deferred rebates or allowances paid to the importer in the currency of sale.
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	the net invoice value expressed in your domestic currency as it is entered in your accounting system
Other discounts	The actual amount of discounts not deducted from the invoice. Show a separate column for each type

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	of 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.

Answer: Not applicable, the Company doesn't have Australian sales.

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.

Answer: There are no other costs, charges or expenses incurred in respect of the exports listed above.

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.

Answer: Not applicable. The Company did not export to Australia in the review period. Therefore, there is no such discounts and rebates etc.

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.

Answer: Not applicable. The Company did not export to Australia in the review period. Therefore, there is no such credit notes.

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)

Answer: Not applicable, the Company didn't make exports to Australia during review period.

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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.

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

Answer: Not applicable. The Company did not export to Australia in the review period. Therefore, there are no such shipments.

SECTION C - EXPORTED GOODS & LIKE GOODS

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

Answer: Not applicable, the company did not export to Australia in the review period.

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).

Answer: Not applicable, the company did not export to Australia in the review period.

C-3 If you sell like goods on the domestic market, for each 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 (i.e. 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

Answer: Not applicable, the company did not export to Australia in the review period.

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.

Answer: The product that the company sells on the domestic market is galvanized sheet with the thickness of 0.25-1.2, width of 700-1250, and the zinc coat weight of 60-305.

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Sales of the goods under consideration in the domestic market could be identified according to Thickness, Zinc Mass, Spangle, Product type, please refer to Appendix D-4 Domestic Sales.

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 review 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 review 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 review 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.*

D-1 Please 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.

Answer:

[confidential information]

Public summary:

Information bracketed are sales distribution channel, which are business proprietary information shall not be disclosed to other parties, disclosure of which will do great harm to competitive interests of the Company.

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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.

Answer: Domestic selling prices does not vary according to the distribution channel.

D-3 Please 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.

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

Answer: The sales process of this company begins by price inquiry of the customers, salesman will provide quote to customers with the prices approved by Sales Manager. After customer confirms and signs an order, sales department gives production department an order to produce and store. Customers are normally required to make a prepayment according to contracts, after the company confirms the payment, warehouse is ready to make shipments, and the customer will be informed to send a car to pick up the order. After loading the trucks with products, Warehouse Management signs a stock-out note for the deliver the goods out of the factory, after delivery, the customers will be required to make balance payments to the Company, and Financial Department will issue VAT invoice to the customers.

D-4 Please prepare a spreadsheet named “**domestic sales**” listing all sales of like goods made during the review period. The listing must be provided electronically. Include all of the following information.

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.
Related / Non Related	Indicate whether the customer is related or not related to your organisation
Level of trade	the level of trade of your domestic customer
Base Metal Thickness (BMT)	Relates to Commercial model grade or type
Coating Mass	Relates to Commercial model grade or type
Standard / Grade	Relates to Commercial model grade or type
Quality	Indicate whether the sale is for Prime, Seconds, or Downgrade product
Width	Relates to Commercial model grade or type
Type	Coil / Sheet

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Base Steel	Please indicated whether product is made from hot rolled or cold rolled steel
Finish	Relates to Commercial model grade or type
Product code	Code used in your records for the model/grade/type identified. A product code must be a unique identifier of that product. Explain the product codes in your submission.
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.
Delivery terms	Delivery terms e.g. CIF, C&F, FOB, DDP (in accordance with Incoterms)
Payment terms	agreed payment terms e.g. 60 days=60 etc.
Quantity (pcs)	Number of pieces of sold (if shown on the invoice).
Unit of Quantity	Weight of this product shown on the invoice.
Gross invoice value	gross invoice value shown on invoice <i>in the currency of sale, excluding taxes.</i>
Discounts	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.
Rebates	The amount of any deferred rebates or allowances paid to the importer in the currency of sale.
Other charges	any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide a description.
Net invoice value	the net invoice value expressed in your domestic currency as it is entered in your accounting system
Other discounts	The actual amount of discounts not deducted from the invoice. Show a separate column for each type of discount.
Packing*	Packing expenses
Inland transportation costs*	inland transportation costs included in the selling price.
Handling, loading & 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. Explain in your response to this question in detail in D-6.
Other factors*	any other costs, charges or expenses incurred in relation to the sale. (include additional columns as required). See question D5.

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

Answer: For domestic sales, please refer to Appendix D-4 Domestic Sales.

- 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.

Answer: There are no other costs need to be added in the Appendix D-4.

- 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.

Answer: Not applicable. There are no such discounts, rebates etc. appeared in the domestic sales.

- 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.)

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

Answer: Please refer to Appendix D-7 Sample Domestic Sales Documents.

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 review 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')

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.

Answer: Not applicable, the Company didn’t make Australian sales during the review period.

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.

Answer: Not applicable, the Company didn’t make Australian sales during the review period.

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 review 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.

Answer: Not applicable, the Company didn’t make Australian sales during the review period.

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**’.

Answer: Not applicable, the Company didn’t make Australian sales during the review period.

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.

Answer: Not applicable, the Company didn't make Australian sales during the review period.

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.

Answer: Not applicable, the Company didn't make Australian sales during the review period.

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.

Answer: Not applicable, the Company didn't make Australian sales during the review period.

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 review (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.

Answer: Not applicable, the Company didn't make Australian sales during the review period.

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.

Answer: Not applicable, there are no such physical characteristics necessary for adjustment as described in the question.

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.

Answer: Not applicable, the Company didn't export to Australia, and the Company doesn't use imported materials for the production of goods under consideration, therefore, adjustment of importing duty is not applicable.

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.

Answer: Not applicable, the Company didn't export to Australia during review period, and the Company doesn't vary selling prices according to level of trade.

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 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 system², 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.

² 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.

Answer: The Company normally doesn't grant credit period to customers, which means payments from the customers are required to pay before the delivery of the payments, therefore, credit value is not to be adjusted for the domestic sales.

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.

Answer: Most of sales are made on EXW basis, while there are some domestic sales the Company bear domestic sales transportation, and it is not practical to identify the inland transportation for each one of these transactions, therefore, the inland transportation has been calculated on average weighted basis. Please refer to Appendix D-4 Domestic Sales.

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.

Answer: Not applicable, there are no such charges.

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**".

Answer: Not applicable, all domestic sales are made in same packing mode for the goods under consideration, and such costs have not been separately accounted, rather all of them have been included in the Cost of production for the goods under consideration according to accounting practice of the Company, therefore, such costs are not necessary to be listed and adjusted in Appendix D-4.

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.

Answer: Not applicable, there are no commissions in the domestic market necessary for adjustment.

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.

Answer: Not applicable, there are no such adjustments the domestic market.

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*.

Answer: Not applicable, there are no other factors necessary for adjustments in the domestic market.

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.

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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.

Answer: Well noted.

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.

Column heading	Explanation
Country	Name 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.
Quantity	Indicate quantity, in units, exported to the third country over the review 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 review 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.

Supply this information in spreadsheet file named "Third country"

Answer: Please refer to Appendix F-1 Third Country.

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

Answer: Sales to third country have all been reported in Appendix F-1, since there are no sales to Australia, the differences are not applicable to identified.

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 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 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.

Answer: For the flowchart of the production process of this company, please refer to **Appendix G-1 Flowchart of Production Process.**

Normally, there are three production steps for the production of goods under consideration, Acid pickling, Cold rolling, Galvanization; Except that, some goods will be cut horizontally or vertically before sales, which means the cutting process is not mandatory but only according to sales order.

Scrap resulting from the whole process includes wasted steels or steel belt, which are sold directly.

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

	PREVIOUS FINANCIAL YEAR	MOST RECENT FINANCIAL YEAR	Review 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.

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

Answer: Please refer to Appendix G-2 Production.

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.

Answer: The cost accounting flow in the entities under the Group is raw material purchase – raw material stock in – raw material input into production – work-in-process product stock in – work-in-process product input into production – finished product stock in – product sales – cost of product carried forward.

For the flowchart of cost accounting flow, please refer to Appendix G-3.1 Management Accounting System.

To reconcile to audited financial statements, the companies makes the financial vouchers according to the original documents, and the financial vouchers will automatically generate sub-ledger for each account of financial system. Then monthly the sub-ledgers will generate General ledgers. At the end of the year, all the general ledgers in this year will generate the financial statements.

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- 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.

Answer: Not applicable, cost accounting system is based on actual cost, and standard costs were not used in the response to this questionnaire.

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

Answer: Not applicable, there are no such variances that occurred during the review period.

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

Answer: The Company accounts cost according to workshop, which means each workshop is treated as an independent cost centre, cost incurred under each cost centre will be accounted to certain workshop.

Currently, there are four galvanization workshops and one cutting workshop for the production of the Goods under consideration.

- 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.

Answer:

[confidential information]

Public summary:

Information bracketed are costing method for the Company, which are business proprietary information shall not be disclosed to other parties.

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

Answer:

[confidential information]

Public summary:

Information bracketed are costing method for the Company, which are business proprietary information shall not be disclosed to other parties.

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

Answer: Not applicable, there are no such production costs which are valued differently for cost account purposes than for financial accounting purposes.

- 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.

Answer: Not applicable, there are no start-up operations for the Company during 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.

Answer: Not applicable, there are no start-up operations for the Company during review period.

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.³

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

Answer: Please refer to Appendix G-4 Domestic CTMS.

Note:

1, There are two main categories for the goods under consideration for the Company, Zinc coated steel and Cutting zinc coated steel, which have different production process (Cutting zinc coated steel have the cutting step after galvanization). Therefore, Domestic CTMS have been provided separately;

2, Either for Zinc coated steel or Cutting zinc coated steel, there are huge product types (distinguish by Zinc mass, thickness, and width), and the company, in normal accounting practices, accounts costs according to these product types, therefore, for each category, cost for every product type has been provided on monthly basis.

³ 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.

3, Cutting zinc coated steel, unlike Zinc coated steel, is not a general product, and production quantity is limited for each month and whole review period, due to limited quantity, the Company didn't account the cost with very detailed items, production cost for each product code could be extracted from the report of financial system, the cost of raw material, labour and manufacturing cost could not be extracted directly from the system. Therefore, unlike the Zinc coated steel, Cost table for Cutting zinc coated steel only reports Cost of production, not reports material cost, labour and manufacturing costs.

4, Selling, administration and financial expenses in two Cost table are allocated according to Cost of production.

5, Cost to make and sell will be accounted only if certain product code is sold in current period, which means if certain product codes are produced but not sold in current period, in financial costing table of the Company, there are only cost of production, without Cost to make and sell. Due to this, sales quantity is not reported, and we use cost of production plus selling, administration costs, Financial costs as total cost to make and sell, and to calculate the Unit cost to make and sell.

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.

	Quarter X	Quarter X	Quarter X	Quarter X
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				
Selling Costs				
Administration Costs				
Financial Costs				
Delivery Expenses ³				
Other Costs ³				
Unit Cost to Make and Sell				

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

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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) over the period of the review.

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 review at the address shown on the cover of this questionnaire.

Please specify unit of currency.

Answer: Please refer to Appendix G-4 Domestic CTMS.

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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.

	Quarter X	Quarter X	Quarter X	Quarter X
Model/Type exported to Australia – from spreadsheet LIKEGOOD				
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				

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

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) over the period of the review.

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 review at the address shown on the cover of this questionnaire.

Please specify unit of currency.

- 1 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.

- 2 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.
- 3 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.

Answer: Not applicable, the Company didn't make sales to Australia during review period, and it also doesn't account production cost according to sales market.

G-6 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).

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 person 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.

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Answer: Major material cost individually account for 10% or more of the production costs are Hot rolled steel, which are purchased from other unaffiliated companies, not supplied by associate of the Company, and please refer to Appendix G-6 HRS Purchase. Material cost will first be entered with inventory of the HRS, and when transferred into the cost of production, weighted average prices will be used as cost of material for each product code.

SECTION H – COUNTERVAILING

The following subsidy programs are the subjects of a countervailing duty notice in respect of zinc-coated steel exported to Australia:

INVESTIGATED PROGRAMS

The following are programs that the Commission investigated:

Program 1: Preferential Tax Policies for Enterprises with Foreign Investment Established in the Coastal Economic Open Areas and 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 5: Matching Funds for International Market Development for Small and Medium Enterprises

Program 6: Superstar Enterprise Grant

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

Program 8: Patent Award of Guangdong Province

Program 10: Preferential Tax Policies for Foreign Invested Enterprises— Reduced Tax Rate for Productive Foreign Invested Enterprises scheduled to operate for a period of not less than 10 years

Program 11: Preferential Tax Policies for Enterprises with Foreign Investment Established in Special Economic Zones (excluding Shanghai Pudong area)

Program 12: Preferential Tax Policies for Enterprises with Foreign Investment Established in Pudong area of Shanghai

Program 13: Preferential Tax Policies in the Western Regions

Program 14: Tariff and VAT Exemptions on Imported Materials and Equipment

Program 15: Innovative Experimental Enterprise Grant

Program 16: Special Support Fund for Non State-Owned Enterprises

Program 17: Venture Investment Fund of Hi-Tech Industry

Program 18: Grants for Encouraging the Establishment of Headquarters and Regional Headquarters with Foreign Investment.

Program 19: Grant for key enterprises in equipment manufacturing industry of Zhongshan

Program 20: Hot rolled steel provided by government at less than fair market value

Program 21: Water Conservancy Fund Deduction

Program 22: Wuxing District Freight Assistance

Program 23: Huzhou City Public Listing Grant

Program 27: Huzhou City Quality Award

Program 28: Huzhou Industry Enterprise Transformation & Upgrade Development Fund

Program 29: Land Use Tax Deduction

Program 30: Wuxing District Public Listing Grant

Program 31: Anti-dumping Respondent Assistance

Program 32: Technology Project Assistance

Program 34: Balidian Town Public Listing Award

Program 35: Preferential Tax Policies for High and New Technology Enterprises

Please answer the questions within parts H-1 to H-3 in relation to these programs.

Answer: Not applicable. The company does not participate in any of the above countervailing programs.

PART H-1 Preferential income tax programs (programs 1, 10, 11, 12, 13, 29 and 35)

Did your business or any company/entity related to your business receive any benefit⁴ under the following seven programs during the period 1 January 2014 - 31 December 2014:

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 10: Preferential Tax Policies for Foreign Invested Enterprises - Reduced Tax Rate for Productive Foreign Invested Enterprises scheduled to operate for a period not less than 10 years

Program 11: Preferential Tax Policies for Enterprises with Foreign Investment Established in Special Economic Zones (excluding Shanghai Pudong area)

Program 12: Preferential Tax Policies for Enterprises with Foreign Investment Established in Pudong area of Shanghai

Program 13: Preferential Tax Policies in the Western Regions

Program 29: Land Use Tax Deduction

Program 35: Preferential Tax Policies for High and New Technology Enterprises

1. It is our understanding that the general tax rate for enterprises in China from 1 July 2015 was 25%. Confirm whether this is correct and if not, please identify the general tax rate for enterprises in China from 1 July 2015.

⁴ Refer to the Glossary of Terms for a definition of benefit in this context.

Answer: It is confirmed that general tax rate for enterprise in China are 25%.

2. If your business currently pays corporate income tax at a rate less than 25% (or whatever the rate of general tax is as discussed above), or paid at a rate less than that during the assessment period, please indicate whether the reduced rate relates to any of the preferential income tax programs identified above.

Answer: Not applicable, the Company pays corporate income tax at the general tax rate, 25%.

3. If the income tax rate of less than the general rate does not relate to any of the programs identified above, please provide an explanation for the reduced income tax rate and answer the questions in Part H-1 above in relation to the income tax rate reduction.

Answer: Not applicable, the Company pays corporate income tax at the general tax rate, 25%.

For **each program** that you have identified above as conferring benefit on your entity, please answer the following:

Answer: The following questions are not applicable for the company, since the Company have never received any of the above benefits.

4. Provide complete details of the amount of the benefit received, including whether it was received in total or in instalments.
5. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production, or only certain products that have undergone research and development).
6. Describe the application and approval procedures for obtaining a benefit under the program.
7. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the GOC in relation to the program.
8. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.
9. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.
10. State whether your eligibility for the program was conditional 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.
11. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
 12. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.
 13. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.
 14. To your knowledge, does the program still operate or has it been terminated?
 15. If the program has been terminated, please provide details (when, why). 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?

If the program terminated has been substituted for by another program, identify the program and answer all the questions in Part H-1 in relation to this programme.
 16. 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 2015 tax year; and
 - income tax instalment payment receipts, and all applicable income tax forms and schedules for the 2014, 2015, and 2016 (to date) tax years.

Answer: Please refer to Appendix H-1.16(1) Tax Acknowledgement Form for 2015 and 2016, Appendix H-1.16(2) Income Tax Returns.

For the Tax acknowledgement form, a Translation Table is provided for the understanding of the figures reported.

[confidential information]

Public summary:

Information bracketed are operating result information, which are business proprietary information, shall not be disclosed to other parties.

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.

PART H-2 Grants (Programs 2, 5-8, 15-19, 21-23, 27, 28, 30-32 And 34)

The following is a list of grants identified as being provided by the GOC to enterprises in China:

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

Program 5: Matching Funds for International Market Development for Small and Medium Enterprises

Program 6: Superstar Enterprise Grant

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

Program 8: Patent Award of Guangdong Province

Program 15: Innovative Experimental Enterprise Grant

Program 16: Special Support Fund for Non State-Owned Enterprises

Program 17: Venture Investment Fund of Hi-Tech Industry

Program 18: Grants for Encouraging the Establishment of Headquarters and Regional Headquarters with Foreign Investment.

Program 19: Grant for key enterprises in equipment manufacturing industry of Zhongshan

Program 21: Water Conservancy Fund Deduction

Program 22: Wuxing District Freight Assistance

Program 23: Huzhou City Public Listing Grant

Program 27: Huzhou City Quality Award

Program 28: Huzhou Industry Enterprise Transformation & Upgrade Development Fund

Program 30: Wuxing District Public Listing Grant

Program 31: Anti-dumping Respondent Assistance

Program 32: Technology Project Assistance

Program 34: Balidian Town Public Listing Award

1. Did your business or any company/entity related to your business receive any benefit under the above programs during the period 1 April 2016 to 31 March 2017?

Answer: Not applicable, Dingxin didn't receive any benefit under the above programs during the period 1 April 2016 to 31 March 2017.

2. Did your business receive benefits under any other grant (including awards, prizes, funds) program during the period 1 April 2016 to 31 March 2017?

Answer: Not applicable, Dingxin received no other grants during the period 1 April 2016 to 31 March 2017.

For each program identified in your answer to H-2.1 and H-2.2 above, answer the following.

Answer: Not applicable, Dingxin didn't receive benefits or grants for the above programs.

3. Provide complete details involving the amount of the grant received, including whether the grant was received in a lump sum or multiple instalments.
4. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production, or only certain products that have undergone research and development).
5. Describe the application and approval procedures for obtaining a benefit under the program.
6. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the GOC in relation to the program.
7. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.
8. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.
9. State whether your eligibility for the program was conditional 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.
10. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
11. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.
12. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.

13. To your knowledge, does the program still operate or has it been terminated?
14. If the program has been terminated, please provide details (when, why). 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?

If the program terminated has been substituted for by another program, identify the program and answer all the questions in Part I-1 in relation to this programme.
15. Identify the body responsible for administering the grant.
16. Identify the date of approval of the grant and the date the grant was received.
17. Indicate where the grant was accounted for on your business' financial statements.

Answer: Not applicable, Dingxin didn't receive benefits or grants for the above programs.

**PART H-3 Tariff and vat exemptions on imported materials and equipment
(Program 14)**

It is our understanding that certain enterprises in China are eligible for exemption from the payment of import duty and import VAT on imported inputs, technologies and machinery.

If your business or any company/entity related to your business received benefits under any such program during the period 1 April 2016 to 31 March 2017, please answer the following questions.

Answer: Not applicable, Dingxin didn't apply or receive exemption from the payment of import duty and import VAT on imported inputs, technologies and machinery. Actually, Dingxin only use the raw materials purchased in the domestic market, and has never receive any exemption for the importing of the machinery.

1. Provide complete details involving the amount of the VAT refund received, including whether the refund was received in a lump sum or multiple instalments.
2. Describe the application and approval procedures for obtaining a benefit under the program.
3. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the GOC in relation to the program.

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4. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.
5. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.
6. State whether your eligibility for the program was conditional 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.
7. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
8. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.
9. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.
10. To your knowledge, does the program still operate or has it been terminated?
11. If the program has been terminated, please provide details (when, why). 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?

If the program terminated has been substituted for by another program, identify the program and answer all the questions in Part H-1 in relation to this programme.

12. Were the materials and/or equipment that were entitled to a refund of VAT used in the e production of the goods during the assessment period? If yes, provide the following information:
 - (a) type of inputs;
 - (b) cost of inputs;
 - (c) quantity of inputs; and
 - (d) amount of VAT refunded.
13. Has your company received exemption from payment of or refunds of import duty and import VAT for imported material inputs (e.g. HRC, HRS, narrow strip, etc.) at any time that were used in the production of the goods during the assessment 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 (FOB, CIF 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.

14. Explain if (and 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.

15. 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.

16. 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.

17. 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.

PART H-4 Hot rolled coil steel provided by government at less than fair market value (program 20)

In this questionnaire, the term 'hot rolled steel' (HRS) refers to both hot rolled coil (HRC) and narrow strip. Please only complete this section if you manufacture your own steel rod for galvanizing.

The term SOE is defined in the glossary of this questionnaire.

In relation to this program, provide the following information.

1. Did your business or any company/entity related to your business receive any benefit under the above program during the period 1 April 2016 to 31 March 2017?

Answer: Not applicable, the Company never received any benefit for the purchase of HRS or narrow strip from GOC.

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

Answer: For the purchase of HRS or narrow strip, some of suppliers of the Company are enterprises with state owned shareholdings, state-owned enterprises, state-owned listed corporation, however, the purchase prices are market prices, the Company never receive any benefit from any enterprises.

For the purchase of electricity, the Company has two suppliers, Hengrun and State Grid; Hengrun is a privately-owned company, while State Grid is a state-owned listed company; However, it is confirmed that electricity prices are market prices, the Company never receive any benefit from any of the suppliers.

3. Provide a list, including a contact name and address, of all your suppliers of HRS. Indicate whether the supplier is a SOE.

Answer: For the purchase of HRS, please refer to Appendix G-6 HRS Purchase.

For the purchase of electricity, the Company has two suppliers, Hengrun and State Grid; Hengrun is a privately-owned company, while State Grid is a state-owned listed company; However, it is confirmed that electricity prices are market prices, the Company never received any benefit from any of the suppliers.

4. Provide a listing showing the purchase price of HRS from each supplier during each month of the assessment period.

Answer: For the purchase of HRS, please refer to Appendix G-6 HRS Purchase.

5. Did your business receive any reduction/reduced price for the purchase of these goods/services during the assessment 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.

Answer: Not applicable, all purchases of goods or services are market prices, and the Company has never received any benefits from these goods or services.

6. 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.

Answer: Not applicable, all purchases of goods or services are market prices, and the Company has never received any benefits from these goods or services.

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

Answer: Not applicable, the Company didn't import raw material during the assessment period.

8. Explain the reason/s for your business' decision to purchase imported over domestic raw materials, including the key factors affecting the decision such as price, availability etc.

Answer: Not applicable, the Company didn't import raw material during the assessment period.

ELECTRICITY (PROGRAM 2)

The applicant claims that public bodies (in the form of state-owned or invested enterprises (SIEs)) are supplying electricity, directly or indirectly, to manufacturers of zinc coated steel at less than adequate remuneration.

Please answer the following questions in relation to your purchases of electricity from **1 April 2016 to 31 March 2017**.

1. Does your business or related business purchase electricity to manufacture zinc coated steel? If not, what alternative power source is used in the production of zinc coated steel?

Answer: It is confirmed that the Company use electricity to manufacture zinc coated steel.

2. Provide a list, including a contact name and address, of all your suppliers of electricity, including those purchased through related businesses. Indicate whether the supplier is a SIE and provide evidence supporting this.

Answer: The Company has two suppliers of electricity, one is State Grid, the other is Hengrun, and State Grid is a state-owned company.

3. Did your business receive any reduction/reduced price for the purchase of electricity during the investigation period? If so, provide details of the reduction/reduced price and describe the eligibility criteria that your business had to meet in order to qualify for any reduction in the price paid for the electricity.

Answer: Not applicable, the Company never receive reduction / reduced price for the purchase of electricity during the investigation period.

4. Please provide a summary of all payments your company made for electricity during the investigation period in the attached spreadsheet labelled "Electricity" and provide copies of invoices and evidence of payment for each.

Answer: Please refer to Appendix H-5.4 Electricity Summary and Invoices;

"ELECTRICTY STATEMENT OF INVOICE AND PAYMENT" reported all invoices and payments recorded in the financial system during the assessment period.

"Copies of Invoices and Payments" includes all financial vouchers, invoices and bank receipts relating to the accounting, quantity, value and payment of electricity in the assessment period. Due to the huge copies, not all documents have been provided with translation. However, "SAMPLE INVOICES AND PAYMENT" provides a complete set of sample translation of invoices and payments accounted in September 2016.

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

Answer: Not applicable, there are no contractual agreements detail the obligations, please refer to invoices included in the file **"Copies of Invoices and Payments"** within **Appendix H-5.4 Electricity Summary and Invoices**.

6. It is understood that the GOC determines the price for electricity in China (refer China's Accession to the WTO document where prices for utilities are confirmed as subject to governmental control). How does the price of electricity in your province differ to the price established by the GOC?

Answer: The Company purchased prices from two suppliers, Hengrun and State Grid, Hengrun is privately owned supplier, and State Grid is a state-owned supplier. Purchase prices of State Grid are determined [confidential].

[confidential information]

Public summary:

Information bracketed are Price determination of electricity for the Company, which are business proprietary information, shall not be disclosed to other parties.

PART H-5 Any other programs

If the GOC, any of its agencies or any other authorised body has provided any other benefit⁵ under any other assistance programs to your entity not previously addressed, identify the program(s).

This may have included:

- the provision of grants, awards or prizes;
- the provision of goods or services at a reduced price (e.g. electricity, gas, raw materials (including, for example, zinc), transport);
- the reduction of tax payable including income tax and VAT;
- reduction in land use fees;
- loans from Policy Banks at below-market rates; or
- any other form of assistance.

For **each program** that you have identified above as conferring benefit on your entity, answer the following.

Answer: Not applicable, Dingxin, as a privately-invested company, has received no benefits from GOC, therefore, the following questions are not applicable to be answered.

1. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production, or only certain products that have undergone research and development).
2. Describe the application and approval procedures for obtaining a benefit under the program.
3. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the GOC in relation to the program.
4. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.
5. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.

⁵ Refer to the Glossary of Terms for a definition of benefit in this context.

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6. State whether your eligibility for the program was conditional 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.
7. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
8. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.
9. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.
10. To your knowledge, does the program still operate or has it been terminated?
11. If the program has been terminated, please provide details (when, why). 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?
12. If the program terminated has been substituted for by another program, identify the program and answer all the questions in Part I-1 in relation to this program.

**SECTION I
EXPORTER'S DECLARATION**

I hereby declare that.....(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 :.....

Signature :.....

**Position in
Company** :.....

Date :.....

SECTION J CHECKLIST

This section is an aid to ensure that you have completed all sections of this questionnaire.

Section	Please tick if you have responded to all questions
Section A – general information	√
Section B – export price	√
Section C – like goods	√
Section D – domestic price	√
Section E – fair comparison	√
Section F – exports to third countries	√
Section G – costing information	√
Section H – particular market situation	
Section I – declaration	√

Electronic Data	Please tick if you have provided spreadsheet
INCOME STATEMENT	√
TURNOVER – sales summary	√
AUSTRALIAN SALES – list of sales to Australia	
DOMESTIC SALES – list of all domestic sales of like goods	√
THIRD COUNTRY – third country sales	√
PRODUCTION – production figures	√
DOMESTIC COSTS – costs of goods sold domestically	√
AUSTRALIAN COSTS – costs of goods sold to Australia	<input type="checkbox"/>

APPENDIX GLOSSARY OF TERMS

This glossary is intended to provide you with a basic understanding of technical terms that appear in the questionnaire.

Adjustments

To enable a fair comparison between the export price and the normal value Australian legislation provides for the adjustment of the domestic price paid for like goods. Adjustments are made to account for sales occurring at different times, specification differences, and differences in the terms or circumstances of the sales. The adjustment to the normal value may be upward or downward. Areas where you believe an adjustment is necessary should be identified. Section E of the questionnaire refers.

Examples of adjustments that may be made include: *sales occurring at different times* (it is sometimes necessary to compare domestic and export sales made at different times - in these circumstances an adjustment may be made to reflect price movements during that time); *specification differences*; *packaging*; *taxes*; *level of trade*; *advertising*; *servicing/warranty*; *inland freight*; *warehousing*; *export charges*; *credit terms*; *duty drawback*; *commissions*.

Adjustments may also be required where the normal value is based upon costs to make and sell.

Arms length

Sales are not considered to be at "arms length" on your domestic market if there is any consideration payable for the goods other than their price, or there is an association between the buyer and the seller which affects the price, or there will be a reimbursement, compensation or benefit for, or in respect of, the price.

Constructed value

In cases where domestic prices paid for the goods under consideration in the country of export cannot be used for the determination of normal value, ie. when there are no or insufficient sales or where such sales were not made in the ordinary course of trade, normal value may be based on a constructed value. Constructed value is calculated on the basis of the cost of production of the goods under consideration plus a reasonable amount for selling, general and administration costs, and for profits, that are associated with sales on the domestic market of the country of export.

Cost of production/manufacturing

The cost of production or manufacture consists of all manufacturing costs associated with the goods. It is the sum of direct materials, direct labour and factory overheads.

Cost to make and sell

The cost to make and sell is the sum of the cost of production or manufacture, and the selling, general and administration costs associated with the sale of those goods.

Country of origin

The country in which the last significant process in the manufacture or production of the goods was performed.

Date of sale

The Commission will normally use the invoice date as recorded in the exporter or producer's records. Another date may be used if this better reflects the material terms of sale. The questionnaire directs attention to matching data sets of domestic and export sales where some other date is used, as well as matching cost information.

Direct labour cost

Direct labour is categorised as a variable cost, ie. the value varies with the level of production.

Dumping

Dumping occurs when the products of one country are exported to another country at a price less than their normal value.

Dumping margin

Where the export price is less than the normal value the dumping margin is the amount of the difference. It can be expressed as a value or as a percentage of the export price.

Export price

The export price of the goods is usually the price paid or payable to the exporter in arms length transactions, in most instances calculated at the Free on Board (FOB) level.

Exporting country

The country of export is normally the country of origin from which the goods are shipped. The country of export may be an intermediate country, except where the products are merely transhipped through that country, or the products concerned are not produced in that country, and there is no comparable price in that country.

Factory overheads

Factory overheads consist of variable costs eg. power, supplies, indirect labour and fixed costs eg. factory rent, factory insurance, factory depreciation etc.

Financial Contribution

There is a "financial contribution" by a government where:

- (a) a government practice involves a direct transfer of funds (grants, loans, and equity infusion), potential direct transfer of funds or liabilities (e.g. loan guarantees);
- (b) government revenue that is otherwise foregone or not collected (e.g. fiscal incentives such as tax credits);
- (c) the government provides goods or services, other than general governmental infrastructure, or purchases goods; or
- (d) a government makes payments to a funding mechanism, or entrusts or directs a private body to carry out one or more of the type of functions illustrated in (a) to (c) above which would normally be vested in the government and the practice, in no real sense, differs from practices normally followed by the government.

Government of China

Any level of Chinese government, including central, provincial, municipal, county or any other level of government.

Goods under consideration (the goods)

The goods to which the application for anti-dumping action relates. That is, the goods that you have exported to Australia allegedly at dumped prices.

Incoterms

The following abbreviations are commonly used (comment is provided concerning costs that are normally borne by the seller):

EXW	ex works (the seller's minimum obligation as costs relate to goods being made available at the seller's premises)
FCA	free carrier (main carriage not paid by seller. Pay costs until such time that the goods have been delivered at the named point into custody of a carrier named by the seller. Customs formalities, taxes etc paid if required)
FAS	free alongside ship (main carriage not paid by seller. Deliver the goods alongside the ship)

FOB	free on board (main carriage not paid by seller. Deliver the goods on board, provide export clearance if required, pay loading costs to the point the goods have passed the ship's rail, pay customs formalities, taxes etc payable upon exportation)
CFR	cost and freight (main carriage paid by seller. Pay all costs until delivered as well as freight, loading and unloading, pay customs formalities, taxes etc payable upon exportation)
CIF	cost, insurance and freight (main carriage paid by seller. Pay all costs as under CFR as well as marine insurance) the terms CFR and CIF are only used where goods are carried by sea or waterway transport
CPT	carriage paid to
CIP	carriage and insurance paid to the terms CPT and CIP are used as alternatives to CFR and CIF where the goods are carried by air, road, rail etc
DAF	delivered at frontier (goods carried by rail or road and cleared for export at the named place at the frontier. Pay costs until delivered at the frontier plus any discharge costs incurred to place the goods at the customers disposal)
DES	delivered ex ship (goods made available to the buyer on board the ship uncleared for import at the named port of destination. Pay all costs incurred in placed at the disposal of the buyer, pay customs formalities, taxes etc payable upon exportation, and where necessary for transit through another country)
DDU	delivered duty unpaid (Pay all costs for carriage to the agreed point, pay customs formalities, taxes etc payable upon exportation, and where necessary for transit through another country)
DDP	delivered duty paid (goods made available at the named place in the country of importation – all risks and costs being incurred by the seller including duties, taxes etc incurred upon importation)

Investigation period

A period defined by the Commission over which importations of the goods are examined.

Like goods

Like goods are goods sold on the domestic market of the country of export (or to a third country) that are identical in all respects to the goods under consideration or that, although not alike in all respects have characteristics closely resembling those of the goods under consideration. The term 'like goods' also refers to the goods produced by the Australian industry allegedly being injured by dumped imports.

Normal value

Australian legislation sets out several ways to assess "normal value".

The preferred method is to use the price paid for like goods sold for domestic consumption in the country of export. Usually, these sales are made by you, but there may be circumstances where it is appropriate to use sales made by other sellers on the domestic market.

Sale prices must be at arms length and in the ordinary course of trade. In the absence of relevant or suitable domestic sales, the normal value may be determined by constructing a price based upon all costs to make and sell the goods. Profit may also be included if the sales on the domestic market are profitable. Alternatively the normal value may be ascertained using the price paid for like goods sold in the ordinary course of trade at arms length to customers in a country other than Australia, however this option is rarely used.

Finally, when a normal value cannot be ascertained by any of the above methods, or if no information is provided, the Commission will determine the normal value by considering all the relevant information, including the applicant's information. This allows the applicant's information to be used where sufficient information has not been furnished or is not available.

Where domestic price generally, and the trade of the exporting country are determined or substantially influenced by the government of the exporting country, an alternative/surrogate market economy is selected by the Commission and the normal value is determined as if the surrogate country were the export source.

Ordinary course of trade

Testing for "ordinary course of trade" includes a comparison of the selling price and the unit cost to make and sell for the same period. If sales in respect of a substantial quantity of goods over an extended period of time, usually 12 months, do not recover all costs and these losses are not likely to be recovered within a reasonable period of time, (again usually 12 months) then the sales are regarded as being not in the ordinary course of trade.

There may be circumstances where it is appropriate to use a period other than 12 months in assessing whether sales are in the ordinary course of trade.

Unprofitable sales are to be taken to have occurred in substantial quantities during an extended period where the unprofitable sales amount to 20% or more of the total volume of sales of the goods by the exporter over the period. An extended period of time is usually taken to be a period not less than 12 months. Where unprofitable sales are rejected, normal value is based upon remaining profitable sales provided they occur in sufficient number. Where all sales have been made at a loss, or profitable sales are insufficient, the normal value may be constructed from costs to make and sell.

Related Parties

See "Associated Companies" above.

Selling, general and administration expenses (SG&A)

The selling, general and administration expenses includes all selling, distribution, general and administration expenses including finance costs that would be incurred if the goods were sold for domestic consumption in the country of export. The amounts are determined in each case using all the available information and may include expenses incurred in:

- . domestic sales of like goods;
- . sale of goods of the same general category by the exporter; or
- . sales in the industry in the country of export.

The expenses must, however, reflect the selling, general and administration costs of the goods. Administrative and selling expenses include: director's fees, management salaries and benefits, office salaries and benefits, office supplies, insurance, promotion, entertainment, depreciation and corporate overheads.

State-owned or state-invested enterprise (SOE / SIE)

For the purposes of this questionnaire, SOE refers to any company or enterprise that is wholly or partially owned by the GOC as defined above (either through direct ownership or through association).

In previous investigations and correspondence, the GOC has advised that the use of the term 'SOE' is declining in China, and that these enterprises are now referred to with terms such as:

- 'enterprises with state investment'
- 'state-owned assets'
- 'state-invested enterprises'
- 'enterprises under the supervision of SASAC'

of which there are several types.

For the purposes of this questionnaire, SOE refers to any and all of the above types of enterprises.

Subsidy

In relation to goods that are exported to Australia, means:

- (a) a financial contribution:
 - (1) by a government of the country of export or country of origin of those goods; or
 - (2) by a public body of that country or of which government is a member; or

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- (3) by a private body entrusted or directed by that government or public body to carry out a governmental function;

that is made in connection with the production, manufacture or export of those goods and that involves:

- (4) a direct transfer of funds from that government or body to the enterprise by whom the goods are produced, manufactured or exported; or
- (5) a direct transfer of funds from that government or body to that enterprise contingent upon particular circumstances occurring; or
- (6) the acceptance of liabilities, whether actual or potential, of that enterprise by that government body; or
- (7) the forgoing, or non-collection, of revenue (other than an allowable exemption or remission) due to that government or body by that enterprise; or
- (8) the provision by that government or body of goods or services to that enterprise otherwise than in the course of providing normal infrastructure; or
- (9) the purchase by that government or body of goods provided by that enterprise; or

- (b) any form of income or price support as referred to in Article XVI of the General Agreement Tariffs and Trade 1994, that is received from such a government or body;

if that financial contribution or income or price support confers a benefit in relation to those goods.