

Received
13/01/14

SUMMISSIONS TO DUMPING AND SUBSIDISATION INVESTIGATIONS

EXPORTER QUESTIONNAIRE- HOT ROLLED STRUCTURAL STEEL
SECTIONS (HRS)

COUNTRY (IES): HRS FROM JAPAN, TAIWAN AND THAILAND

CASE INFO: ADC223

PUBLIC RECORD: EPR223

A-1 IDENTITY AND COMMUNICATION

Head office:

Name: Mr Soon Kong Aik

Position in the company: Company Director (Sales & Marketing)

Address: 6 Harper Road #01-05/06, Leong Huat Building, Singapore 369674

Telephone: +65-62899888

Facsimile Number: +65-6283900

Email: kasoon@leonghuat.com

Warehouse:

Address: 34 Senoko Road Singapore 758106

Telephone: +65-67524113

Facsimile Number: +65-67524113

Email: No email at warehouse

A-2 REPRESENTATIVE OF THE COMPANY FOR THE PURPOSE OF INVESTIGATION

Not applicable. All queries regarding the investigation will be directed to Mr Soon Kong Aik

A-3 COMPANY INFORMATION

1. Leong Huat Hardware Pte Ltd is a private limited company, incorporated in Singapore. No other businesses are used to handle export/selling of steels.

2. Principal Shareholder:



(Names and details of shareholders)

3. No, we are not a subsidiary

4. No, we are not a subsidiary

[REDACTED]	[REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]

A-4 GENERAL ACCOUNTING/ADMINISTRATION INFORMATION

1. 1 Jan to 31 Dec for each calendar year
2. 6 Harper Road #01-05/06, Leong Huat Building, Singapore 369674
3. Please refer to Appendix – Annual Report

4. No
5. Our accounts are consolidated in Singapore dollar. The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards (FRS). In addition, all our financial statements are audited by 3rd party auditors who are Certified Public Accountants and are in accordance with Singapore standards on Auditing.
6. No change in accounting methods

A-5 INCOME STATEMENT

Besides Hot Rolled Structural Steel Sections (HRS), we also export a lot of other kinds of steel to customers all over the world. Our accounting system does not break down the sales figures into only HRS portions. As our sales items are co-mingled, we are unable to provide some information requested. The numbers we have included for the investigation period are for exports to Australia.

Our accounting year ends in 31 Dec 2013. There are some information that we can only report after we close our books.

Information included in the excel spreadsheet is the Company's income statement for year end 31 Dec 2012.

However, you are welcome to visit our office to look at our financials from the system.

A-6 SALES

Refer to section A-5

Section B

B-1

[REDACTED]

(Name and details of customer in Australia)

B-2

- a) Break-bulk vessel
- b)



There is no commission payable

- c) Goods are sold on either FOB or CFR Fremantle basis. The ownership of goods transfer upon receipt of bill of lading to the Consignee "[REDACTED]". (Name of customer in Australia)
- d) No agreements made for the Australian Market. We accept their purchase order.
- e) All communication with the customer are through email. They send us enquiries and we reply with a quotation for items with prices from different countries of origin that we can offer. They select the items that there are interested to purchase and send us their purchase orders. We will then order from Steel Mills or deliver base on our stock from our warehouse. These goods will then be shipped and invoiced to our customer for billing.
- f) No, we are not related to any Australian customers.
- g) [REDACTED]
(Details of transactions with customer in Australia)

B-3

We sell to overseas stockists or steel traders at an international market price. For Overseas end user, prices are [REDACTED]. (% difference in pricing for different trade levels)

B-5 No

B-6

We do not give any discount, rebate or allowance to stockist or steel traders. Any negotiation of prices is done before orders are placed.

B-7

We do not give credit notes to customers in Australia

B-8 No, we do not

B-9

[REDACTED]
(Details of transactions with customer in Australia)

B-10

We export both Imperial and Metric products. Price differs base on grade, country of origin and quantity of import.

Section C

C-1

Below are the goods exported to Australia during the investigation period.

Universal beam to AS3679.1 Grade 300 (Thailand Origin)

[REDACTED]

Universal beam to AS3679.1 Grade 300 (Taiwan Origin)

[REDACTED]

Parallel Flange Channel to AS3679.1 Grade 300 (Taiwan Origin)

[REDACTED]

Universal Colum to AS3679.1 Grade 300 (Thailand Origin)

[REDACTED]

Mild Steel Flat Bar to ASTM A36 (Taiwan Origin)

[REDACTED]

H Beam to EN10025-S275JR (Taiwan Origin)

[REDACTED]

Mild Steel Angle to EN10025-S275JR (Japan Origin)

[REDACTED]

(Details of size/dimensions)

C-2

Refer to C-1 for model/grade.

C-3

Goods are identical but Grade is different. Australia buyers prefer AS3679.1 Grade 300 for Beams, Columns and Parallel Flange channel.

For channels, Australia buyers prefer Parallel Flange Channel to Tapered Flange Channel.

C-4

For domestic market, we use grades EN10025 S275JR, EN10025 S355JR, ASTM A36, SS400.

Detailed description for the grades are attached in Appendix – Grade.

Section D – DOMESTIC SALES

Due to privacy and privilege information contracts signed with our customers, we are unable to provide the individual customer names of all domestic sales. However, we have included a count of local companies for each relevant items in the excel template provided.

D-1

No agency or distributor agreements involved. Only basic logistic documents like Purchase order, Delivery order, Invoice is used in a transaction



D-2

We sell to domestic stockists [REDACTED] (details on difference in pricing for different distribution channels in the domestic market) compared to end-users. However, for orders of big quantities (exceeding 35 metric tons), pricing across all distribution channels will be the same.

D-3

Pricing is set based on type of steel, grade, quantity or volume ordered and method of delivery (eg. Ex-warehouse, Ex-Singapore, Ex-port). Cost price will take into consideration delivery fee (if customer requires us to deliver the goods).

Orders are usually confirmed through phone followed by faxed or email. Invoices may be mailed or e-mailed to the customer, depending on each customer's arrangement.

D-4

Spreadsheets attached

D-5

Cutting cost. If local customers require cutting into short length or small piece, we will charge for cutting cost [REDACTED]. (details on cutting cost)

D-6

No commission, rebates or allowance. Discount is normally given over the phone or revised prices may be emailed to the customer by negotiation. If the customer accepts the price, an order confirmation will be sent to us via fax or email.

D-7

Refer to Appendix – Domestic Sales

D-8

Both. No difference in fundamentals of determining selling price since they are of the same grade.

Section E

E-1

1. Inland transportation cost is usually considered together with overhead cost and other expense operating expense. [REDACTED]

[REDACTED] (Details on calculating Inland transport cost) This recorded in our accounts under "other operating expense". Export sales involving delivery to port with documentation is [REDACTED]. (Details on calculating export sales involving delivery to port cost)

2. These charges are included in a lump sum in the "freight" account in other operating expense. [REDACTED]

[REDACTED] (Details on calculation of freight)

3. Extension of credit depends on the size of the company and financial ability of the company. Thus, our receivables are consistent with payment terms extended.

Due to low interest rates for loans less than 60 days, we do not charge interest for receivables. For over 60 days payment terms, there will be an additional 1% charge or more depending on the duration of credit terms.

Average interest rate for short term borrowing in SGD is about 1.3% for 6 months.

Our import LC turns into Trust Receipt with duration of 6 months with interest rates ranging from 1.16-1.96% per annum depending on banks.

4. Our goods come with original mill packing list. However for local delivery, no packing is needed. For exporting of loose pieces, we do it for free.

5. We do not pay any commissions for export sales to Australia

6. We do not provide warranty or guarantee for domestic or export sales. Goods inspected in our warehouse before delivery is final.

7. Other factors that may affect our prices are bunker factor (oil) or shipping line imposing additional charges.

8. We sell in Singapore dollars for most domestic and export sales. However, we also do sell in US dollars for natural hedge reasons if there are requests from overseas clients.

E-2

1. AS3679.1 grade 300 requires more items to be stated in chemical compositions, physical/chemical laboratory approval. Many countries are acceptable to using EN10025, ASTM, JIS Standard.

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Japanese steel mills do not offer AS3679.1 grade 300 and both Taiwan and Thailand steel mills charge a higher rate for AS3679.1 grade 300 compared to EN10025, ASTM or JIS Standard.

Thus, we have a higher cost for AS standards and prefer to offer for indentation sales.

2. We do not sell to Australia or other countries coving their import duty or domestic tax issues. In Singapore, all buyers have to pay GST 7%.
3. Stockists, Importers and Exporters enjoy 2-5% lower pricing for resale compared to end-users. However, for orders of big quantities (exceeding 35 metric tons), both stockist and end-users will be offered the same price.
4. Refer to D-4, Spreadsheets attached.
5. We normally charge [REDACTED] for transport. For orders below 2 metric tons, we charge an additional [REDACTED]. (Explanation on charge of transportation cost)
6. This is included in the sales prices and we do not charge separately. Unloading at site is always buyer's care for domestic.
7. We follow mill standard export bundle and for domestic, we do not need to do packing.

Section F

F-2

AS3679.1 Grade 300 standard are used only in Australia and certain projects in New Zealand, it is not a common grade as compared to many other export countries accepting ASTM, SS400 and EN10025 standards. Thus, this is not a good comparison

Section G

G-1

1. Not Applicable. We do not manufacture any goods sold to customers (domestic and overseas). We buy steel from Steel mills and sell it to customers (domestic and overseas).
2. We do not product/manufacture.
3. Not Applicable. We do not manufacture any goods sold to customers (domestic and overseas).
4. Not Applicable. We do not manufacture any goods sold to customers (domestic and overseas).

G-2

1. We use a weighted cost of average of our buying price from steel mills to calculate our cost. This cost is reflected in "Purchases" and "Changes in inventories" in our income statement (Attached in Appendix-Annual report).
2. No. Our cost accounting system is based on actual cost.

NON-CONFIDENTIAL

3. Not Applicable since our accounting system is based on actual cost. We take actual cost of importation of goods as our cost. We will take a weighted cost of average of full financial year buyings to calculate the cost of inventory.
4. Not applicable.
5. Not Applicable. As we do not manufacture, there is no allocation of costs to goods.
6. Not Applicable
7. Not applicable. No production cost
8. No.
9. Not applicable

G-3

Refer to excel attached. Excel is populated base on cost to sell only. We do not have reports that break down by quarter. Thus, we have provided for full year 2013.

G-4

Refer to excel attached. Excel is populated base on cost to sell only. We do not have reports that break down by quarter. Thus, we have provided for HRS products during the investigation period.

G-5

There is no cost differences is due to the different grades that each customer requires. Australia customers usually require AS3679.1 grade 300 whereas other countries and domestic markets are acceptable to using EN10025, ASTM, JIS Standards.

AS3679.1 grade 300 requires more items to be stated in the chemical compositions and physical/chemical laboratory approval. Thus, Taiwan and Thailand steel mills charge a higher rate for AS3679.1 grade 300.

G-6

No difference

G-7

No difference from prior practice. Not Applicable

G-8

Not Applicable. We do not manufacture.

Section H – Exporter Declaration

I hereby declare that Leong Huat Hardware Pte Ltd did, during the investigation period export the goods 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.

Name: Soon Kong Aik

Signature: 

Position in Company: Company director

Date: 9/12/2013

Section I - 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	<input checked="" type="checkbox"/>
Section B – export price	<input checked="" type="checkbox"/>
Section C – like goods	<input checked="" type="checkbox"/>
Section D – domestic price	<input checked="" type="checkbox"/>
Section E – fair comparison	<input checked="" type="checkbox"/>
Section F – exports to third countries	<input checked="" type="checkbox"/>
Section G – costing information	<input checked="" type="checkbox"/>
Section H – declaration	<input checked="" type="checkbox"/>

Electronic Data	Please tick if you have provided spreadsheet
INCOME STATEMENT	<input checked="" type="checkbox"/>
TURNOVER – sales summary	<input checked="" type="checkbox"/>
AUSTRALIAN SALES – list of sales to Australia	<input checked="" type="checkbox"/>
LIKE GOODS – comparison between export and domestic goods sold	<input checked="" type="checkbox"/>
DOMESTIC SALES – list of all domestic sales of like goods	<input checked="" type="checkbox"/>
THIRD COUNTRY – third country sales	<input checked="" type="checkbox"/>
PRODUCTION – production figures	<input checked="" type="checkbox"/>
DOMESTIC CTMS – cost to make and sell domestic goods	<input checked="" type="checkbox"/>
AUSTRALIAN CTMS – cost to make and sell goods sold to Australia	<input checked="" type="checkbox"/>