



EXPORTER QUESTIONNAIRE

deep drawn stainless steel sinks EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA

Period of Investigation: 1 JANUARY – 31 DECEMBER 2013

Response due by: 24 APRIL 2014

CASE CONTACT

Case Manager: MS ANDREA STONE
Phone: +61 2 6275 6173
E-mail: operations2@adcommission.gov.au
**Anti-Dumping
Commission website:** www.adcommission.gov.au

RETURN OF QUESTIONNAIRE DETAILS

**By mail
(on CD-ROM or USB):** Attn: Director, Operations 2
Anti-Dumping Commission
5 Constitution Ave
CANBERRA ACT 2601
By email: operations2@adcommission.gov.au

TABLE OF CONTENTS

TABLE OF CONTENTS	2
THE GOODS UNDER CONSIDERATION	4
BACKGROUND AND GENERAL INSTRUCTIONS	ERROR! BOOKMARK NOT DEFINED.
WHY YOU HAVE BEEN ASKED TO FILL OUT THIS QUESTIONNAIRE?	ERROR! BOOKMARK NOT DEFINED.
WHAT HAPPENS IF YOU DO NOT RESPOND TO THIS QUESTIONNAIRE?.....	ERROR! BOOKMARK NOT DEFINED.
DUE DATE FOR RESPONSE	ERROR! BOOKMARK NOT DEFINED.
CONFIDENTIAL AND NON-CONFIDENTIAL SUBMISSIONS.....	ERROR! BOOKMARK NOT DEFINED.
EXPORTER’S DECLARATION	ERROR! BOOKMARK NOT DEFINED.
VERIFICATION OF THE INFORMATION THAT YOU SUPPLY	ERROR! BOOKMARK NOT DEFINED.
IF YOU DO NOT MANUFACTURE THE GOODS	ERROR! BOOKMARK NOT DEFINED.
IF YOU DO NOT EXPORT THE GOODS.....	ERROR! BOOKMARK NOT DEFINED.
OUTLINE OF INFORMATION REQUIRED BY THIS QUESTIONNAIRE	ERROR! BOOKMARK NOT DEFINED.
SOME GENERAL INSTRUCTIONS FOR PREPARING YOUR RESPONSE	ERROR! BOOKMARK NOT DEFINED.
INSTRUCTIONS ON PROVIDING ELECTRONIC DATA.....	ERROR! BOOKMARK NOT DEFINED.
FURTHER INFORMATION	ERROR! BOOKMARK NOT DEFINED.
SECTION A - COMPANY STRUCTURE AND OPERATIONS	6
A-1 IDENTITY AND COMMUNICATION.....	6
A-2 REPRESENTATIVE OF THE COMPANY FOR THE PURPOSE OF INVESTIGATION	6
A-3 COMPANY INFORMATION	7
A-4 GENERAL ACCOUNTING/ADMINISTRATION INFORMATION	8
A-5 INCOME STATEMENT	11
A-6 SALES	12
SECTION B - SALES TO AUSTRALIA (EXPORT PRICE)	13
SECTION C - EXPORTED GOODS & LIKE GOODS	18
SECTION D - DOMESTIC SALES	19
SECTION E - FAIR COMPARISON	23
E-1 COSTS ASSOCIATED WITH EXPORT SALES	24
E-2 COSTS ASSOCIATED WITH DOMESTIC SALES	26
E-3 DUPLICATION	31
SECTION F - EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA (THIRD COUNTRY SALES)	33
SECTION G - COSTING INFORMATION AND CONSTRUCTED VALUE	34
G-1. PRODUCTION PROCESS AND CAPACITY	34
G-2. PRODUCTION CAPACITY DATA.....	35
COMPLETE THE ‘PRODUCTION’ SPREADSHEET IN THE <i>EXPORTER QUESTIONNAIRE SPREADSHEETS – SINKS</i> WORKBOOK.	35
G-3. COST ACCOUNTING PRACTICES.....	35
G-4 COST TO MAKE AND SELL ON DOMESTIC MARKET	37
G-5 COST TO MAKE AND SELL GOODS UNDER CONSIDERATION (GOODS EXPORTED TO AUSTRALIA)	39
G-6 MAJOR RAW MATERIAL COSTS	41
SECTION H – PARTICULAR MARKET SITUATION	42
PART H-1 GENERAL INFORMATION	ERROR! BOOKMARK NOT DEFINED.
PART H-2 GOVERNMENT OF CHINA MEASURES IN THE STEEL SECTOR ERROR! BOOKMARK NOT DEFINED.	ERROR! BOOKMARK NOT DEFINED.
PART H-3 THE DEEP DRAWN STAINLESS STEEL SINKS SECTOR.....	ERROR! BOOKMARK NOT DEFINED.
SECTION I - COUNTERVAILING (SUBSIDISATION)	43
PART I-1 PREFERENTIAL INCOME TAX PROGRAMS (PROGRAMS 7 AND 8)	44
PART I-2 GRANTS (PROGRAMS 2, 3, 4, 5 AND 6).....	46

PUBLIC RECORD

PART I-3	PROVISION OF COLD-ROLLED STAINLESS STEEL (PROGRAM 1).....	53
PART I-4	ANY OTHER PROGRAMS	54
SECTION J - EXPORTER'S DECLARATION		ERROR! BOOKMARK NOT DEFINED.
SECTION K - CHECKLIST		ERROR! BOOKMARK NOT DEFINED.
APPENDIX 1 - GLOSSARY OF TERMS.....		ERROR! BOOKMARK NOT DEFINED.

THE GOODS UNDER CONSIDERATION

Goods Description

The goods under consideration (“the goods”) ie the goods exported to Australia at allegedly at dumped prices and in receipt of subsidies, are:

deep drawn stainless steel sinks with a single deep drawn bowl having a volume of between 7 and 70 litres (inclusive), or multiple drawn bowls having a combined volume of between 12 and 70 litres (inclusive), with or without integrated drain boards, whether finished or unfinished, regardless of type of finish, gauge, or grade of stainless steel and whether or not including accessories.

Additional information

Further information in relation to the goods was provided in the application as follows.

For the purposes of the definition of the goods, the term “deep drawn” refers to a manufacturing process using metal forming technology to produce a smooth basin with seamless, smooth, and rounded corners. Deep drawn stainless steel sinks are available in various shapes and configurations and may be described in a number of ways including flush mount, top mount, or undermount (to indicate the attachment relative to the countertop). Stainless steel sinks with multiple deep drawn bowls that are joined through a welding operation to form one unit are covered by the scope of the investigations. “Finished or unfinished” refers to whether or not the imported goods have been surface treated to their intended final “finish” for sale. Typically, finishes include brushed or polished.

Deep drawn stainless steel sinks are covered by the scope of the investigation whether or not they are sold in conjunction with accessories such as mounting clips, fasteners, seals, sound-deadening pads, faucets (whether attached or unattached), strainers, strainer sets, rinsing baskets, bottom grids, or other accessories.

Excluded from the definition of the goods the subject of this application are stainless steel sinks with fabricated bowls. Fabricated bowls do not have seamless corners, but rather are made by notching and bending the stainless steel, and then welding and finishing the vertical corners to form the bowls. Stainless steel sinks with fabricated bowls may sometimes be referred to as “fabricated sinks”.

Deep drawn stainless steel sinks are commonly used in residential and non-residential installations including in kitchens, bathrooms, utility and laundry rooms. When used in the context of bathrooms, deep drawn stainless steel sinks may there be referred to, for marketing purposes, as “wash basins”. As noted above, deep drawn stainless steel sinks may, or may not, have a single (or multiple) integrated drain board that forms part of the sink structure, designed to direct water into the sink bowl.

Tariff classification

The goods are currently classified to the tariff subheading 7324.10.00 (statistical code 52) of Schedule 3 to the *Customs Tariff Act 1995*.

PUBLIC RECORD

These goods are subject to 5% Customs duty.

SECTION A - COMPANY STRUCTURE AND OPERATIONS

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

A-1 Identity and communication

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

Head Office:

Name: [REDACTED]
Position in the company: **Vice general manager**
Address: **No. 88, Mayun Road, Mazhu Town, Yuyao, Ningbo, Zhejiang, China - 315452**
Telephone: [REDACTED]
Facsimile number: **+86 (574) 6245 8688**
E-mail address of contact person: [REDACTED]

Factory:

Address: **No. 88, Mayun Road, Mazhu Town, Yuyao, Ningbo, Zhejiang, China - 315452**
Telephone: [REDACTED]
Facsimile number: **+86 (574) 6245 8688**
E-mail address of contact person: [REDACTED]

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

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

Name: **Mr. Marco HU**
Address:
Dacheng Law Offices, LLP
F3, Building B1, Yuxing Plaza,
No. 56, Mid Huangshan Avenue,
Yubei District,
Chongqing, China - 401123
Telephone: **+86 135 2023 7767**
Facsimile/Telex number: **+86 (23) 6301 6565**
E-mail address of contact person: [**fumao.hu@dachenglaw.com**](mailto:fumao.hu@dachenglaw.com)

Note that in nominating a representative, the Commission will assume that confidential material relating to your company in this investigation may be freely released to, or discussed with, that representative.

A-3 Company information

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

Response: The legal name of the company is: Yuyao Afa Kitchenware Co., Ltd. (“Afa”) It is a limited liability company which produces and exports the goods under consideration (“GUC”) to Australia during the period of investigation (“POI”). No other business names have ever used to export and/or sell goods by Afa.

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).

Response: The owners of Afa are: [REDACTED].

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

Response: Not applicable.

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

Response: Not applicable.

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

Response: No other companies is associated or affiliated with Afa.

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

Response: Not applicable.

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

Response: Afa is an exporting producer of the GUC. It produces and sells GUC to domestic, Australia and third countries markets.

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

PUBLIC RECORD

- export to countries other than Australia.

Response: Afa performs all of the above functions in relation to GUC.

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

Response: Please refer to **Exhibit A.3.9: Internal organization chart.**

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

Response: Please refer to [CONFIDENTIAL **Exhibit A.3.10: Financial Statement of 2012**].

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

A-4 General accounting/administration information

1. Indicate your accounting period.

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

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

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

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.

Response: Please refer to **Exhibit A.4.3: Chart of Account.**

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.

PUBLIC RECORD

Response: Please refer to [CONFIDENTIAL **Exhibit A.4.4: Financial Statement of 2013 and the taxation return of 2012 and 2013**].

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

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

Response: No difference in any way between GAAP in China and the accounting practices of Afa.

6. Describe:

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

- the method of valuation for raw material, work-in-process, and finished goods inventories (eg last in first out –LIFO, first in first out- FIFO, weighted average);

Response: Raw materials, work-in-process and finished goods inventory are accounted for at cost when purchased. The cost of inventories issued is determined on the weighted average basis.

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

Response: The cost of the primary materials shall be stated at their historical cost on acquisition, and raw material requested or issued is determined using the weighted average method. After the sales of goods, the cost of finished goods will be transferred from the inventory commodities into cost of sales. Afa doesn't account the work-in-process.

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

Response: The sub-standard goods are in 2 categories: 1. Sell as primary goods and accounted into "principle revenue" however in a lower value on actual sales price; 2. Sell as damaged goods and accounted into "revenue from other operating activities" on actual sales price.

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

Response: The scrap is sold and accounts into "revenue from other operating activities" on actual sales price. No by-products or joint products are generated.

- valuation and revaluation methods for fixed assets;

PUBLIC RECORD

Response: A fixed asset shall be initially measured at its cost. The cost of a purchased fixed asset includes the purchase price, relevant taxes, freight, loading and unloading fees, professional service fees and other disbursements that bring the fixed asset to the expected conditions for use and that may be attributed to the fixed asset.

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

Response: Please refer to the following table for the average useful life and depreciation rate:

Category	Average useful life (yrs)	Depreciation rate (%)
building and constructions	20	4.5
machines and equipments	10	9
transportation vehicles	4	22.5
Others	4-5	18-22.5

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

Response: Transactions in currencies other than the reporting currency are translated into the reporting currency at the exchange rates quoted by the Bank of China (“the reference rates”), on the first day of the month in which the transactions take place.

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

Response: Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

- inclusion of general expenses and/or interest;

Response: The general expenses and interests are accounted on actual basis.

- provisions for bad or doubtful debts;

Response: Accounts receivable meeting the following criteria are recognised as bad debts: (i) the debtor is deceased or has been declared bankrupt and the debts remain uncollectible after considering the assets of the bankrupt or the estate of the deceased debtor; (ii) debts that are long overdue where there is also evidence indicating that the debts are uncollectible or the possibility of collection is remote.

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

Response: Not applicable.

- costs of plant closure;

Response: Not applicable.

- restructuring costs;

PUBLIC RECORD

Response: **Not applicable.**

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

Response: **The scrap is sold and accounts into "revenue from other operating activities" on actual sales price. No by-product is generated.**

- effects of inflation on financial statement information.

Response: **Not applicable.**

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

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

A-5 Income statement

Complete the spreadsheet '**Income statement**' in the *Exporter Questionnaire spreadsheets* – *sinks* workbook.

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

You will note that the spreadsheet 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.

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

Response: **Please refer to [CONFIDENTIAL, **Exhibit A.5: Income Statement**].**

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

A-6 Sales

Complete the spreadsheet 'Turnover' in the *Exporter Questionnaire spreadsheets – sinks* workbook.

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

This requires you to state your company's net turnover (after returns and all discounts), and free of duties and taxes. Use the currency in which your accounts are kept.

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.

Response: Please refer to [CONFIDENTIAL **Exhibit A.6: Turnover**].

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

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, or another level if considered appropriate.

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

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

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

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

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

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

Response: Please refer to [CONFIDENTIAL, **Exhibit B.1: Australian Customers**].

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

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

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

Response: For all the Australian sales, Afa directly delivers the goods to Australian importer.

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

Response: In the distribution chain, there are only 2 parties, namely Afa as an exporting producer and Australian importer. Afa pays for transportation the goods to the port of shipment, plus loading costs. The Australian buyer pays cost of marine freight transport, insurance, unloading, and transportation from the arrival port to the final

PUBLIC RECORD

destination. The passing of risks occurs when the goods are loaded on board at the port of shipment. No commissions are paid.

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

Response: The party who holds the original bill of lading possesses the ownership of the goods. There are no DDP applied in Australian sales.

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

Response: No agency or distributor agreements exist in relation to the Australian market.

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

Response: The export price for [REDACTED, customer name] is based on price list. Please refer to [CONFIDENTIAL, Exhibit B.2.e: Price List]. For other Australian customers, the price is negotiated on a transaction basis.

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

[REDACTED, customer name] will lay the purchase order to Afa when it demands the goods with a reference to the price lists. Afa then issues the proforma invoice (PI) to confirm the order and arranges for production. Upon the goods are ready, Afa will deliver the goods and issue commercial invoice to the customer. Such payment will be collected by [REDACTED, payment term].

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

Response: Afa is not related to and has no financial or other arrangements with any of its Australian customers.

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

Response: There are no such forward orders of the GUC.

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

Response: **The export selling prices doesn't vary according to the distribution channel.**

B-4 Australian sales data

Complete the 'Australian sales' spreadsheet in the *Exporter Questionnaire spreadsheets – sinks* workbook.

This data should be provided on a transaction by transaction basis.

The below table provides some explanation of the data requested in the Australian sales spreadsheet.

Column heading	Explanation
Customer name	names of your customers
Level of trade	the level of trade of your customers in Australia
Model	commercial model/grade or type
Number of bowls	the number of bowls of the sink sold, for example single bowl, 1 and ½ bowls, double bowl, etc.
Drainer boards	If the sink includes one or more drainer boards, identify the number of these
Finish	sink surface finish e.g. polished, brushed, unfinished
Brand name	If the sink is sold under a particular brand name, identify this
Product tier	In the application, the Australian industry identified that sinks may be classified into entry-level, mid or top-range sinks, which is relative to their pricing. Identify if the sink sold is considered entry-level, mid or top-range product.
Accessories included	If the sink is sold with 'accessories' other than the sink and drainer board itself, identify which accessories are included (e.g. strainer, etc)
Product code	Code used in your records for the model/grade/type identified. 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.
Shipping terms	Delivery terms eg. CIF, C&F, FOB, DDP (in accordance with Incoterms)
Payment terms	Agreed payment terms eg. 60 days=60 etc
Quantity	Quantity in units shown on the invoice. Show basis eg kg.
Gross invoice value	Gross invoice value shown on invoice <i>in the currency of sale, excluding taxes.</i>
Discounts on the invoice	If applicable, the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	Any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide a description.
Invoice currency	the currency used on the invoice
Exchange rate	Indicate the exchange rate used to convert the currency of the sale to the currency used in your accounting system
Net invoice value in the currency of the exporting country	the net invoice value expressed in your domestic currency as it is entered in your accounting system
Rebates or other allowances	the amount of any deferred rebates or allowances paid to the importer in the currency of sale
Quantity discounts	the actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.
Ocean freight**	the actual amount of ocean freight incurred on each export shipment listed.
Marine insurance	Amount of marine insurance

PUBLIC RECORD

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 investigation period. Freight allocations must be checked for consistency.

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

Please refer to [CONFIDENTIAL, **Exhibit B.4: Australian Sales**].

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

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

Response: All of the costs, charges or expenses incurred in relation to the export sales to Australia by Afa have been identified in the above Exhibit B.4.

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.

PUBLIC RECORD

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

Response: **There are no discount, rebate, allowance offered on export sales to Australia.**

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

Response: **Afa hasn't issued credit notes (directly or indirectly) to the customers in Australia.**

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

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

Response: **All the transactions to Australia are delivered under FOB. Afa is not responsible for arrival of the goods within Australia.**

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

- the importer's purchase order, order confirmation, and contract of sale;
- commercial invoice;
- bill of lading, export permit;
- freight invoices in relation to movement of the goods from factory to Australia, including inland freight contract;
- marine insurance expenses; and
- letter of credit, and bank documentation, proving payment.

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

Response: **Please refer to Exhibit B.9: Australian Sales Documents.**

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

SECTION C - EXPORTED GOODS & LIKE GOODS

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

Response: The goods exported by Afa to Australia are stainless sink. It is specially designed for Australian market as per requirement of Australian customers. It includes: [(1) number of bowls: 1, 1.25, 1.5, 1.75, and 2; (2) has or not have drainer boards; (3) Finish: brush, polish, or both brush and polish in different part of the goods].

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).

Response: Afa only exports stainless steel sinks and accessories thereof to Australia. Please refer to Exhibit B.4: Australian sales for details.

C-3 If you sell like goods on the domestic market, for each type of the goods that your company has exported to Australia during the investigation period, list the most comparable model(s) sold domestically; and provide a detailed explanation of the differences where the domestic goods (ie. the like goods – see explanation in glossary) are not identical to goods exported to Australia.

An example of how this information can be presented is provided in the below table.

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

Response: [REDACTED], comparison method]

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

Response: [REDACTED], technical information concerning goods sold in the domestic market]

SECTION D - DOMESTIC SALES

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

*All domestic sales made during the investigation period must be listed transaction by transaction. If there is an extraordinarily large volume of sales data and you are unable to provide the complete listing electronically you **must** contact the case officer **before** completing the questionnaire. If the case officer agrees that it is not possible to obtain a complete listing he or she will consider a method for sampling that meets the Commission's requirements. If agreement cannot be reached as to the appropriate method the Commission may not visit your company.*

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

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

- you **must** provide information on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the investigation period.*
- If you do not have any domestic sales of like goods you must contact the case officer who will explain the information the Commission requires for determining a normal value using alternative methods.*

D-1 Provide:

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

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

Response: [REDACTED], domestic market distribution channel]. The distribution chain is relatively simple and directly. No agency or distributor agreements exist.

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

Response: The domestic selling price doesn't vary according to the distribution channel.

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

PUBLIC RECORD

- 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.

Response: [REDACTED], domestic sales process]

D-4 Domestic sales data

Complete the ‘**Domestic sales**’ spreadsheet in the *Exporter Questionnaire spreadsheets – sinks* workbook.

This data should be provided on a transaction by transaction basis.

The below table provides some explanation of the data requested in the Domestic sales spreadsheet.

Column heading	Explanation
Customer name	names of your customers. If an English version of the name is not easily produced from your automated systems show a customer code number and in a separate table list each code and name.
Level of trade	the level of trade of your domestic customer
Model	commercial model/grade or type of the goods
Number of bowls	the number of bowls of the sink sold, for example single bowl, 1 and ½ bowls, double bowl, etc.
Drainer boards	If the sink includes one or more drainer boards, identify the number of these
Finish	sink surface finish e.g. polished, brushed, unfinished
Brand name	If the sink is sold under a particular brand name, identify this
Product tier	In the application, the Australian industry identified that sinks may be classified into entry-level, mid or top-range sinks, which is relative to their pricing. Identify if the sink sold is considered entry-level, mid or top-range product.
Accessories included	If the sink is sold with ‘accessories’ other than the sink and drainer board itself, identify which accessories are included (e.g. strainer, etc)
Product code	code used in your records for the model/grade/type of the goods identified. 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 and should be used, report that date. For example, order confirmation, contract, or purchase order date.
Order number	show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Delivery terms	eg ex factory, free on truck, delivered into store
Payment terms	payment terms agreed with the customer eg. 60 days=60 etc
Quantity	quantity in units shown on the invoice eg kg.
Gross Invoice value	gross value shown on invoice <i>in the currency of sale</i> , net of taxes.
Discounts on the Invoice	the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide description.
Net invoice value in the	the net invoice value expressed in your domestic currency as recorded in your

PUBLIC RECORD

currency of the exporting country	accounting system
Rebates or other Allowances	the actual amount of any deferred rebates or allowances in the currency of sale
Quantity discounts	the actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.
Packing*	packing expenses
Inland transportation Costs*	amount of inland transportation costs included in the selling price.
Handling, loading And ancillary Expenses*	handling, loading & ancillary expenses.
Warranty & Guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services such as technical assistance or installation costs.
Commissions*	commissions paid. If more than one type is paid insert additional columns of data.
Other factors*	any other costs, charges or expenses incurred in relation to the domestic sales (include additional columns as required). See question D5.

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

Response: Please refer to **Exhibit D.4: Domestic sales.**

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Afa's domestic sales data explanation and its accounting & management method]

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

Response: No other costs, charges or expenses incurred in respect of the sales listed.

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

- provide a description; and

PUBLIC RECORD

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

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

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

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

D-7 Select two domestic sales, in different quarters of the investigation 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.

Response: Please refer to **Exhibit D.7: Domestic Sales Documents.**

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

SECTION E - FAIR COMPARISON

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

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

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

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

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

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

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

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

E-1 Costs associated with export sales

(These cost adjustments will relate to your responses made at question B-4, ‘**Australian sales**’)

1. Transportation

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

Response: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED], transportation expense allocation method]

2. Handling, loading and ancillary expenses

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

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

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

Response: Please refer to the answer to question E-1.1.

3. Credit

PUBLIC RECORD

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

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

Response: The export prices are fixed by the commercial invoice and not influenced by the collection days, thus, there is no credit cost applicable to the company.

4. Packing costs

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

Response: The GUC has no significant difference on the packaging in the domestic and export markets, and it will not specially packed for those export products, thus, the packing costs is not applicable to the company.

5. Commissions

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

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

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

Response: No commissions are paid in relation to the export sales to Australia.

6. Warranties, guarantees, and after sales services

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

Response: No expenses of warranties, guarantees, and after sales services are paid to any third parties for all the transactions of the company.

7. Other factors

PUBLIC RECORD

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

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

8. Currency conversions

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

Response: The currency conversion between Australia and China is relatively stable, and this adjustment concerning foreign currency translation is not applicable to the subject investigation.

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.

You should provide copies of your Bill of Materials for both the goods exported to Australia and those associated with domestic sales, and identify those components or inputs into production that are different, for example, specify different:

- Steel grades (Grade 304);

PUBLIC RECORD

- Chrome/nickel content (18/10, compared with 18/8);
- Steel gauge (18, 20 or 22 gauge);
- Bowl finish (labour hours to achieve a brushed or polished finish);
- Inclusion or exclusion of a drainer board; and
- Inclusion or exclusion of a strainer/basket waste.

Response: [

], comparison method]

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

PUBLIC RECORD

Annex 3 of the WTO Agreement on Subsidies provides: “Drawback systems can allow for the refund or drawback of import duties on inputs which are consumed in the production process of another product and where the export of this latter product contains domestic inputs having the same quality and characteristics as those substituted for the imported inputs”

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

Response: All the raw materials are purchased domestically, thus, no such adjustment concerning import charges and indirect taxes is 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;

PUBLIC RECORD

- an explanation as to why you consider that you are entitled to a level of trade adjustment.

or

- (b) *level discount*: the amount of the discount granted to purchasers who are at the same level of trade as the importer in Australia. This is determined by an examination of price differences between the two levels of trade in the exporter's domestic market, for example sales of like goods by other vendors or sales of the same general category of goods by the exporter. For this method to be used it is important that a clear pattern of pricing be established for the differing trade levels. Such pattern is demonstrated by a general availability of the discounts to the level - isolated instances would not establish a pattern of availability.

Response: There are no real trade level differences for this company, and all sales in different distribution channels are treated as being at the same 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 investigation period.

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

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

1. Calculate an accounts receivable turnover ratio

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

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

PUBLIC RECORD

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

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

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

2. Calculate the average credit period

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

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

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

Response: No difference on the credit cost is claimed for adjustment.

5. Transportation

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

Response: [REDACTED], domestic transportation reporting method].

6. Handling, loading and ancillary expenses

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

Response: The company doesn’t bear the handling, loading and ancillary expenses in its domestic sales.

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**”.

PUBLIC RECORD

Response: **The packing is generally the same in both domestic and Australian sales.**

8. **Commissions**

For any commissions paid in relation to the domestic sales:

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

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

Response: **No commissions are paid in relation to the domestic sales.**

9. **Warranties, guarantees, and after sales services**

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

Response: **No warranties, guarantees, and after sales services costs are incurred in the domestic sales.**

10. **Other factors**

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

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

Response: **No other factors affect price comparability in the domestic sales.**

E-3 Duplication

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

PUBLIC RECORD

For example:

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

Separate adjustment items must avoid duplication.

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

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

SECTION F - EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA (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 Third country sales data

Complete the ‘Third country’ spreadsheet in the *Exporter Questionnaire spreadsheets – sinks* workbook.

This data should be provided on a summary basis.

The below table provides some explanation of the data requested in the Third country spreadsheet.

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

Response: Please refer to [CONFIDENTIAL, **Exhibit F.1: Third country sales**].

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company’s commercial activities and sensitive business information, disclosure of which could harm the Company’s market and competitive position.]

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

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

SECTION G - COSTING INFORMATION AND CONSTRUCTED VALUE

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

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

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

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

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

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

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

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

G-1. Production process and capacity

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

Response: Afa uses a deep draw manufacturing process that also includes annealing when necessary. The deep draw is the method used for creating parts from flat sheet metal. The process involves pressing a disk into a die with a punch to form a variety of shapes, radii, diameters and lengths. Deep drawing may be accomplished by using an annealing process in which the piece is heated. It is done to prevent the stainless steel from thinning out to a lesser gauge in the course of manufacturing. For multi-bowl configurations, each bowl is circle welded to the frame.

Please refer to **Exhibit G.1: Production process flowchart.**

No by-products are resulted from producing the goods. Stainless steel scraps are result from such process.

G-2. Production capacity data

Complete the 'Production' spreadsheet in the *Exporter Questionnaire spreadsheets* – *sinks* workbook.

Response: [REDACTED], production reporting method]

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.

Response: The company doesn't have management accounting system. The data in its financial accounting records can be directly reconciled to the financial statements.

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

Response: The company's cost accounting system isn't based on standard costs.

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

Response: There aren't any significant or unusual cost variances that occurred during the investigation period.

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

Response: [REDACTED], cost accounting system]

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.

Response: Please refer to answer to question G-3.4 as above.

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

Response: Please refer to answer to question G-3.4 as above.

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

PUBLIC RECORD

Response: All the production costs are valued on actual basis, thus, no factors are valued differently for cost accounting purposes than for financial accounting purposes.

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

Response: The company doesn't engage in any start-up operations in relation to the goods under consideration.

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

Response: Please refer to the answer to the previous question.

G-4 Cost to make and sell on domestic market

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

Complete the 'Domestic CTMS' spreadsheet in the *Exporter Questionnaire spreadsheets – sinks* workbook.

- Please provide the actual unit cost to make and sell **separately for 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 investigation period. If your company calculates costs monthly, provide monthly costs.
- 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.
- Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.
- If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.
- Please specify unit of currency.
- 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.
- 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.
- Supply your Bill of Materials **separately for each model/type** (identified in section C) of the like goods sold on the domestic market.

Response: [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

² The Commission applies the tests set out in s.269TAA 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.

PUBLIC RECORD

[REDACTED]

[REDACTED]

[REDACTED], domestic CTMS reporting method]

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.

Complete the ‘**Australian CTMS**’ spreadsheet in the *Exporter Questionnaire spreadsheets – sinks* workbook.

- Please provide the actual unit cost to make and sell **separately for each model/type** (identified in section C) of the goods sold to Australia.
- Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.
- 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.
- Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.
- If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.
- Please specify unit of currency.
- 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.
- 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.
- 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.
- Supply your Bill of Materials **separately for each model/type** (identified in section C) of the like goods sold on the domestic market.

Response: [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

PUBLIC RECORD

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED], Australian CTMS reporting method]

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.

Response: All the major raw materials are purchased from independent suppliers. The major raw material that individually account for 10% or more of the total production cost is the cold rolled stainless steel. Please refer to Exhibit I.5: Steel purchases below for the requested information. It is valued on actual basis.

SECTION H – PARTICULAR MARKET SITUATION

The applicants claim that a ‘market situation’ exists in respect of deep drawn stainless steel sinks from China due to government influence on both the prices of the goods and the major raw material inputs (cold-rolled stainless steel) used in the manufacture of the goods.

The existence of a ‘market situation’ could affect the Commission’s approach to calculating normal value within its dumping assessment.

In broad terms, it is generally the case that the normal value of the goods is the price paid for like goods sold for home consumption in the country of export. One of the exceptions to using domestic selling prices for this purpose provides that the domestic selling prices are not an appropriate basis for normal value if the Minister is satisfied that a situation in the market has rendered domestic selling prices unsuitable for establishing normal values (i.e. a ‘particular market situation’ exists).

One of these situations may be where the domestic selling prices in the country of export have been materially affected by government influence rendering those prices unsuitable for use in establishing normal values.

Through this questionnaire, the Commission is providing producers/exporters of the subject goods in China the opportunity to supply evidence that the sector under investigation is operating under market conditions. In examining the matter, the Commission will also send questionnaires to the Government of China and continue to examine information available from third-party sources.

It may be necessary for the Commission to request additional information following receipt and review of your response.

There are three parts to this section:

- PART H-1 - Requests information concerning the organisation of your company and the Government of China’s involvement in the business of your company.
- PART H-2 - Requests information concerning the Government of China’s measures with respect to the steel industry in China.
- PART H-3 - Requests information concerning the deep drawn stainless steel sinks sector in the region where your company is located.

Response: The company gives up the response to questions in this section. We understand that the particular market situation is a macro issue, and the Government of China is a more proper party to fully defend this. Afa is a very small private business and we are incapable of making comments in this regard.

It is also our understanding that no comments to this section will not impair our interests if the Commission determines that no ‘particular market situation’ exist in respect of deep drawn stainless steel sinks from China. If the Commission thinks otherwise, please kindly make us informed and we intend to fully cooperate with your investigation.

SECTION I - COUNTERVAILING (SUBSIDISATION)

The applicant alleges that producers in China of deep drawn stainless steel sinks have benefited from a number of subsidies granted by the Government of China (meaning any level of government – refer to the Glossary of Terms for further information), and that these subsidies are countervailable.

INVESTIGATED PROGRAMS

The following are programs that the Commission is currently investigating:

Program Number	Program Name	Program Type
Program 1	Raw Materials Provided by the Government at Less than Fair Market Value	Provision of goods
Program 2	Research & Development (R&D) Assistance Grant	Grant
Program 3	Grants for Export Activities	Grant
Program 4	Allowance to pay loan interest	Grant
Program 5	International Market Fund for Export Companies	Grant
Program 6	International Market Fund for Small and Medium-sized Export Companies	Grant
Program 7	Reduced tax rate for productive FIEs scheduled to operate for a period not less than 10 years	Income Tax
Program 8	Tax preference available to companies that operate at a small profit	Income Tax

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

PUBLIC RECORD

PART I-1 PREFERENTIAL INCOME TAX PROGRAMS (PROGRAMS 7 AND 8)

1. Did your business or any company/entity related to your business receive any benefit³ under the following two programs during the investigation period (1 January to 31 December 2013):
 - **Program 7** - Reduced tax rate for productive FIEs scheduled to operate for a period not less than 10 years
 - **Program 8** - Tax preference available to companies that operate at a small profit

Response: The company didn't receive any benefits under the above 2 programs during the POI.

2. It is our understanding that the general tax rate for enterprises in China from 1 July 2010 was 25%. Confirm whether this is correct and if not, please identify the general tax rate for enterprises in China from 1 July 2010, indicating any changes in the taxation rate over the period July 2010 – December 2103.

Response: The general tax rate for enterprises in China from January 1, 2008 was 25%, and that before January 1, 2008 was 33%.

3. 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 investigation period, please indicate whether the reduced rate relates to any of the preferential income tax programs identified above.

Response: The income tax rate paid by the company is 25%.

4. 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 I-1 above in relation to the income tax rate reduction.

Response: Not applicable.

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

Response: Since no program is identified above as conferring benefit on the company, the following questions in this part are not applicable.

5. Provide complete details of the amount of the benefit received, including whether it was received in total or in instalments.
6. 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).

³ Refer to the Glossary of Terms for a definition of benefit in this context.

PUBLIC RECORD

7. Describe the application and approval procedures for obtaining a benefit under the program.
8. 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 Government of China in relation to the program.
9. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.
10. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.
11. 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.
12. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
13. 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.
14. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.
15. To your knowledge, does the program still operate or has it been terminated?
16. 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.
17. For each taxation year from 2011 to 2013, complete the "**Income Tax**" spreadsheet in the *Exporter Questionnaire spreadsheets – sinks* workbook.
18. Provide a copy, bearing the official stamp of the appropriate level of the Government of China of all
 - corporate income tax acknowledgement form(s) and the income tax return(s) that your company filed for the 2011, 2012 and 2013 tax years; and
 - income tax instalment payment receipts, and all applicable income tax forms and schedules for the 2011, 2012 and 2013 tax years.

PUBLIC RECORD

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 I-2 GRANTS (PROGRAMS 2, 3, 4, 5 AND 6)

It is the Commission 's understanding that the Government of China may be providing grants to enterprises in China including the following identified programs:

- **Program 2** - Research & Development (R&D) Assistance Grant
- **Program 3** - Grants for Export Activities
- **Program 4** - Allowance to pay loan interest
- **Program 5** - International Market Fund for Export Companies
- **Program 6** - International Market Fund for Small and Medium-sized Export Companies

1. Did your business or any company/entity related to your business receive any benefit under the above programs during the period **1 January to 31 December 2013**?

Response: The company didn't receive any benefit under the above programs during the POI.

2. Did your business receive benefits under any other grant (including awards, prizes, funds) program during the period 1 January to 31 December 2013?

Response: The company received benefits under the following 2 programs during POI:

- (1) [REDACTED];
- (2) [REDACTED]

PUBLIC RECORD

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

Program 9 – [REDACTED]

1. Provide complete details involving the amount of the grant received, including whether the grant was received in a lump sum or multiple instalments.

Response: The amount of the grant received is [REDACTED], which was paid in a lump sum. Although it is received in 2013, this grant is actually attributable to 2012, [REDACTED].

2. 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).

Response: The program has benefited all production.

3. Describe the application and approval procedures for obtaining a benefit under the program.

Response: This program doesn't need any application or approval procedures.

4. 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 Government of China in relation to the program.

Response: Not applicable.

5. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.

Response: No fees or expenses were charged by Afa for purposes of receiving the program.

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

Response: [REDACTED]

[REDACTED]

7. 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

PUBLIC RECORD

d) the region in which your business is located.

Response: This program is not conditional on none of the above eligibility criteria.

8. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.

Response: The benefit was not provided in relation to a specific activity or project of the company.

9. 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.

Response: The records the company kept regarding this program include: [


], records kept] Please refer to **Exhibit I.1: Records of program 9.**

Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.

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

Response: The benefits under this program were booked in "subsidy income". Please refer to **Exhibit I.2: Accounting voucher of program 9.**

Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.

11. To your knowledge, does the program still operate or has it been terminated?

Response: To the best knowledge, the program has been terminated.

12. 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.

Response: This program is only effective for the year of 2012.

13. Identify the body responsible for administering the grant.

PUBLIC RECORD

Response: [REDACTED] is responsible for administering the grant.

14. Identify the date of approval of the grant and the date the grant was received.

Response: As we stated above, the grant doesn't need application or approval, and it is simply the determination of the government according to its policy. The grant was received on April 23, 2013.

15. Indicate where the grant was accounted for on your business' financial statements.

Response: The grant was accounted as "revenue from non-operating activities – subsidy income" on its financial statement.

PUBLIC RECORD

Program 10– [REDACTED]

1. Provide complete details involving the amount of the grant received, including whether the grant was received in a lump sum or multiple instalments.

Response: The amount of the grant received is [REDACTED], which was paid in a lump sum.

2. 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).

Response: The program has benefited all production.

3. Describe the application and approval procedures for obtaining a benefit under the program.

Response: This program doesn't need any application or approval procedures.

4. 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 Government of China in relation to the program.

Response: Not applicable.

5. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.

Response: No fees or expenses were charged by Afa for purposes of receiving the program.

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

Response: [REDACTED], eligibility].

7. 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.

Response: This program is not conditional on none of the above eligibility criteria.

8. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.

PUBLIC RECORD

Response: This program is not conditional on none of the above eligibility criteria.

9. 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.

Response: The records the company kept regarding this program include:

[REDACTED], records kept] Please refer to **Exhibit I.3: Records of program 10.**

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

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

Response: The benefits under this program were booked in "subsidy income". Please refer to **Exhibit I.4: Accounting voucher of program 10.**

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

11. To your knowledge, does the program still operate or has it been terminated?

Response: The program has been terminated.

12. 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.

Response: The program is a temporary policy after the flood and no other program substituted this program.

13. Identify the body responsible for administering the grant.

Response: [REDACTED] is responsible for the grant.

14. Identify the date of approval of the grant and the date the grant was received.

Response: It doesn't need any approval and the grant was received on August 31, 2013.

PUBLIC RECORD

15. Indicate where the grant was accounted for on your business' financial statements.

Response: The grant was accounted as “revenue from non-operating activities – subsidy income” on its financial statement.

PUBLIC RECORD

**PART I-3 PROVISION OF COLD-ROLLED STAINLESS STEEL
(PROGRAM 1)**

The applicant claims that public bodies (in the form of state-owned or invested enterprises (SIEs)) are supplying cold-rolled stainless steel, directly or indirectly, to manufacturers of deep drawn stainless steel sinks at less than fair value.

In this questionnaire, the term cold-rolled stainless steel refers to both coil or sheets.

The term SIE 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 January to 31 December 2013**.

Response: Afa didn't receive any benefit under the above program during the POI.

2. Does your business purchase any goods/services from SIEs, e.g., raw materials (including cold-rolled stainless steel), energy, water, other utilities, etc?

Response: Part of the cold-rolled stainless steel is purchased from SIE.

3. Provide a list, including a contact name and address, of all your suppliers of cold-rolled stainless steel. Indicate whether the supplier is a SIE.

Response: Please refer to the following table for the suppliers list of cold-rolled stainless steel:

Name of supplier	Address	SIE or not

4. Complete the 'Steel purchases' spreadsheet in the *Exporter Questionnaire spreadsheets – sinks*.

Response: Please refer to **Exhibit I.5: Steel purchases.**

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

PUBLIC RECORD

Provide this data on a **transaction-by-transaction basis, for all purchases of cold-rolled stainless steel** during the period **1 January to 31 December 2013**. This data should be provided for all purchases, not only those of Chinese origin (i.e. include imported materials as well).

Please add more space for additional suppliers and categories of product as required.

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

Response: **Afa doesn't receive any reduction/reduced price for the purchase of cold rolled stainless steel.**

6. 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.

Response: **Afa doesn't have any contractual agreements that detail the obligations of the SIE and itself with reference to the granting and receipt of the assistance or benefits.**

7. If your business purchased imported cold-rolled stainless steel, 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.

Response: **Afa doesn't purchase imported cold-rolled stainless steel.**

PART I-4 ANY OTHER PROGRAMS

If the Government of China, any of its agencies or any other authorised body has provided any other benefit⁴ 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.

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

PUBLIC RECORD

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 Government of China 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.
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 I-1 in relation to this programme.

Response: No other programs are applicable to the company.

SECTION J - EXPORTER'S DECLARATION



I hereby declare that Yuyao Afa Kitchenware Co., Ltd.(company) did, during the period of investigation export the goods under consideration and have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.



I hereby declare that.....(company) did not, during the period of investigation, export the goods under consideration and therefore have not completed the attached questionnaire.

Name : GAO, Guoping

Signature : 高国平

Position in

Company : Vice General Manager

Date : 2014.5.8