

EXPORTER QUESTIONNAIRE

**Deep Drawn Stainless Steel Sinks Exported
from the People's Republic of China**

(PUBLIC RECORD)

Response submitted by:

**Zhongshan Jiabaolu Kitchen & Bathroom
Products Co., Ltd**

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SECTION A - COMPANY STRUCTURE AND OPERATIONS

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

A-1 Identity and communication

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

Head Office:

Name: **Henry Chen**

Position in the company: **General Manager**

Address: **Fuyuan Road, Nansha Industrial Area, Shenwan Town, Zhongshan City, Guangdong Province**

Telephone: **86-760-86604678**

Facsimile number: **86-760-86604608**

E-mail address of contact person: **cth@gabalu.com.cn**

Factory:

the same with the above

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: **Lin Yang**

Address: **Room 501, 05/F, Office Tower 2, Kunsha Center, No. 16 Xinyuanli, Chaoyang District, Beijing 100027**

Telephone: **86-10-84683682**

Facsimile/Telex number: **86-10-84683689**

E-mail address of contact person: **yanglin@rayyinlawyer.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.

Answer: The legal name is Zhongshan Jiabaolu Kitchen & Bathroom Products Co., Ltd (“Jiabaolu”). Jiabaolu is the manufacturing exporter of the goods under consideration. Jiabaolu is a limited liability company. Jiabaolu does not use other names in exporting the goods under consideration.

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

Answer: Please refer to **Annex A-3.2 Company Shareholders.**

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

Answer: Jiabaolu is not the subsidiary of another company.

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

Answer: Jiabaolu is not the subsidiary of another company.

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

Answer: Please refer to **Annex A-3.5 Affiliation Chart.**

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

Answer: Jiabaolu is not the subsidiary of another company.

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

Answer: Jiabaolu is the manufacturing exporter of the goods under consideration. Jiabaolu is only engaged in the manufacturing and selling of stainless steel sinks and accessories. Stainless steel sinks produced by Jiabaolu includes goods under consideration and fabricated sinks.

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

- produce or manufacture
- sell in the domestic market
- export to Australia, and

- export to countries other than Australia.

Answer: Jiabaolu is the manufacturing exporter of the goods under consideration. Jiabaolu is responsible for the production, domestic sales and exports to third countries. **【confidential information】**

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

Answer: Please refer to **Annex A-3.9 Internal Organizational Chart.**

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

Answer: as to the company's introduction and product brochure, please refer to **<http://en.gabalu.com.cn>**.

A-4 General accounting/administration information

1. Indicate your accounting period.

Answer: The accounting period is from 1 January to 31 December of the calendar year.

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

Answer: The accounting records are located at the same company address mentioned above.

3. Please provide the following financial documents for the two most recently completed financial years plus all subsequent monthly, quarterly or half yearly statements:

- chart of accounts;
- audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);
- internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods under consideration.

These documents should relate to:

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

Answer: Please refer to Annex A-4.3-1 Chart of Account and Annex A-4.3-2 Audited Report of Year 2012 and 2013.

4. If you are not required to have the accounts audited, provide the unaudited financial statements for the two most recently completed financial years, together with your taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

Answer: Please refer to Annex A-4.3-2 Audited Report of Year 2012 and 2013.

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

Answer: Not applicable, the accounting practice adopted by Jiabalu is in line with the PRC GAAP.

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);

Answer: Jiabalu adopts the weighted average method for inventories.

- 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);

Answer: The shared costs of each month are allocated to specific models by the total production weight in the corresponding month.

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

Answer: Jiabaolu does not allocate cost of production to the damaged sinks. All damaged sinks are treated as scraps.

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

Answer: All damaged sinks and scraps are collected and recorded in its normal production, and sold to unrelated customer. The sales revenue of damaged sinks and scraps are recorded as “non-operating income”.

- valuation and revaluation methods for fixed assets;

Answer: The fixed asset is booked according to its cost. The cost of externally purchased fixed assets includes buying price, VAT, import duty and so on related tax and fees, and other expense used to make the fixed assets to be ready for use, which could be directly attributes to the assets. There is no revaluation occurred for Jiabaolu.

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

Answer:

Types of fixed assets	Estimated life(year)	Annual depreciation rate
Buildings	20	【confidential】
Equipments	15	【confidential】
Vehicles	4 or 5	【confidential】
Electric equipment and others	5	【confidential】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

Answer: In line with PRC GAAP, the foreign exchange gains and losses arising from transactions are recognized in the profit and loss account directly.

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

Answer: In line with PRC GAAP, monetary assets and liabilities denominated in currencies other than RMB are translated at prevailing exchange rates at the date of balance sheet. Translation adjustments are reported as cumulative translation adjustments and are shown as a separate component in the equity items.

- inclusion of general expenses and/or interest;

Answer: In line with PRC GAAP, the general expenses and/or interest is recorded in the profit and loss account directly.

- provisions for bad or doubtful debts;

Answer: No bad or doubtful debts occur during the investigation period.

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

Answer: Not applicable to Jiabaolu. No such situation exists during the investigation period.

- costs of plant closure;

Answer: Not applicable to Jiabaolu. No such situation exists during the investigation period.

- restructuring costs;

Answer: Not applicable to Jiabaolu. No such situation exists during the investigation period.

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

Answer: All damaged sinks and scraps are collected and recorded in its normal production, and sold to unrelated customer. The sales revenue of damaged sinks and scraps are recorded as "non-operating income".

- effects of inflation on financial statement information.

Answer: Not applicable to Jiabaolu. No such situation exists during the investigation period.

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

Answer: Not applicable to Jiabaolu. No accounting methods have been changed over the last two 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.

Answer: Please refer to Annex A-5 Income Statement. Jiabaolu did not separately record its sales revenue and cost by different products. When preparing Annex A-5, the costs are allocated into the goods under consideration by its sales revenue in total sales revenue of whole company.

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.

Answer: Please refer to Annex A-6 Turnover.

SECTION B - SALES TO AUSTRALIA (EXPORT PRICE)

This section requests information concerning your export practices and prices to Australia. You should include costs incurred beyond ex-factory. Export prices are usually assessed at FOB point, but the Commission may also compare prices at the ex factory level, 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:

Answer: 【 confidential information 】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

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

Answer: 【 confidential information 】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

Answer: 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

Answer: All exports are made on FOB basis, so Jiabaolu retains ownership of the goods until the payment is received.

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

Answer: Please refer to Annex B-2-(d) Manufacture & Supply Agreement and Agency Agreement.

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

Answer: No price lists is used. 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

Answer: 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

Answer: 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

Answer: 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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.

Answer: Please refer to Annex B-4 Australian Sales of Jiabaolu, 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

Answer: Please refer to **Annex B-4 Australian Sales of Jiabaolu.**

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

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

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

Answer: No such discount, rebate, allowance is offered.

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

Answer: No credit note is issued.

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)

Answer: No applicable to Jiabaolu. The transaction term is FOB.

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.

Answer: Please refer to **Annex B-9 Sample Transaction Documents of Australian Sales**, submitted in the response of Flowtech Co., Ltd.

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.

Answer: please refer to <http://en.gabalu.com.cn>, which lists all specification details of all goods sold by Jiabaolu.

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

Answer: Please refer to Annex B-4 Australian Sales of Jiabaolu.

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". Other wise "NO"	Where the good exported to Australia is not identical to the like goods, describe the specification differences. If it is impractical to detail specification differences in this table refer to documents which outline differences

Answer: **【confidential information】**

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

Answer: as to the company's introduction and product brochure, please refer to <http://en.gabalu.com.cn>.

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.

Answer: 【 confidential information 】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

Answer: 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

- the way in which you set the price, receive orders, make delivery, invoice and finally receive payment; and the terms of the sales; and
- whether price includes the cost of delivery to customer.

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

Answer: Please refer to Annex D-3 Sample Price Lists, which is used for sales to regional distributor.

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.

D-5 If there are any other costs, charges or expenses incurred in respect of the sales listed which have not been identified in the table in question D-4

above add a column for each item (see "other factors"). For example, certain other selling expenses incurred.

Answer: Please refer to Annex D-5 Domestic Sales of Jiabaolu, **【confidential information】**

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

- D-6** For each type of commission, discount, rebate, allowance offered on domestic sales of like goods:
- provide a description; and
 - explain the terms and conditions that must be met by the customer to qualify for payment.

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

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

Answer: No commission, discount, rebate, allowance is offered. The credit notes have been reported in Annex D-5 Domestic Sales of Jiabaolu.

- 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.

Answer: Please refer to Annex D-7 Sample Transaction Documents of Domestic Sales.

SECTION E - FAIR COMPARISON

Answer: As stated above, it is not possible to find the comparable models sold in domestic market for the models sold in Australian market. For this reason, Jiabaolu considers it not appropriate to calculate the normal value based on domestic sales data. However, in order to fully cooperate with the investigation, Jiabaolu still tries its best to provide the answers to the following questions.

E-1 Costs associated with export sales

Answer: 【confidential informaiton】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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);
- 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.

Answer: 【 confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

2. Import charges and indirect taxes

If exports to Australia:

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

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

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

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

In substantiating the drawback claim the following information is required:

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

Substitution drawback systems

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

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

Answer: Not applicable, no such adjustment is claimed.

3. Level of trade

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

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

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

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

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

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

This requires the following information:

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

or

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

Answer: Not applicable, no such adjustment is claimed.

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).

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.

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

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

Answer: Jiabaolu calculates the credit costs by the formulas as follows:

Credit period = [(the beginning amount of accounts receivable of domestic sales of POI + the ending amount of accounts receivable of domestic sales of POI)/2]/total amount of domestic sales of POI

Credit cost = credit period * annual interest rate of short-term loans * the amount of each transaction

For the interest rate of short-term loans, Jiabaolu uses 5.6%, which is the interest rate of short-term loans published by the People's Bank of China. Please refer to Annex E-2.4-1 Calculation of Credit Expenses Adjustment of Domestic Sales and Annex E-2.4-2 Interest Rate of Short-term Loans Published by the People's Bank of China.

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

5. Transportation

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

Answer: please refer to answer to Question E-2.10.

6. Handling, loading and ancillary expenses

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

Answer: please refer to answer to Question E-2.10.

7. Packing

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

Answer: the packing material for domestically sold products and exported products is basically same, so Jiabaolu does not claim this adjustment.

8. Commissions

For any commissions paid in relation to the domestic sales:

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

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

Answer: No commission is paid for 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.

Answer: please refer to answer to Question E-2.10.

10. Other factors

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

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

Answer: as a small size company, Jiabaolu records all costs relating to domestic and exports sales in the same ledger account-selling expenses. Jiabaolu manually identify the usage of each cost item, i.e. for domestic sales only, for exports sales only, or for both. Various selling expenses are treated as adjustment to domestic sales or exports sales according to their respective usages. Please refer to **Annex E-2.10 Adjustment of Various Selling Expenses.**

E-3 Duplication

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

For example:

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

Separate adjustment items must avoid duplication.

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

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.

Answer: Please refer to **Annex F-1 Third Country Sales of Jiabaolu.**

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

Answer: the sales to third country is produced according to the specific requirements of various customers, it is not possible to find the comparable models sold in third country for all the models sold in Australian market. For this reason, Jiabaolu considers it not appropriate to calculate the normal value based on third country sales data.

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.

Answer: Please refer to **Annex G-1.1 Flow Chart of Production Process.**

G-2. Production capacity data

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

Answer: Please refer to Annex G-2 Production.

G-3. Cost accounting practices

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

Answer: In the audited report, the account-cost of goods sold-tracks the cost of production of finished goods. In its normal business, Jiabaolu calculates the production cost for each specific model on monthly basis. All the cost of production is allocated between "semi-finished goods" and "finished goods". The cost of production allocated to semi-finished goods is leaved in the account-cost of production, while the cost of production allocated to finished goods is transferred to the account-finished goods.

At the end of each month, the cost of finished goods sold is debited under the account-cost of goods sold-by weighted-average method, while crediting another account-inventory of finished goods at the same time. The accumulated cost of finished goods sold in the management account can be reconciled to the credit amount of the account of finished goods. i.e: Production inputs (including raw materials, labour and manufacturing overhead) → cost of production (semi-finished goods and finished goods) → inventory of finished goods → cost of finished goods sold → cost of finished goods sold in the audit report.

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

Answer: Not applicable. Jiabaolu does not use standard (budgeted) costs.

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

Answer: No significant or unusual cost variances that occurred during the investigation period.

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

Answer: As a small company, Jiabaolu did not use this method. The whole company is treated as one cost center.

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

Answer: As a small company, Jiabaolu did not use this method. The whole company is treated as one cost center. The accounting department prepares and calculates the model-wise cost report each month. All materials, labor and manufacturing overhead are recorded at the company level. 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

Answer: In its normal business, Jiabaolu calculates the production cost for each specific model on monthly basis.

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

Answer: Not applicable to Jiabaolu, no such costs exist.

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

Answer: Not applicable to Jiabaolu, no such start-up operation happens.

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

Answer: Not applicable to Jiabaolu, no such start-up operation happens.

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 '**DomesticCTMS**' 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.

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.*

Answer: Please refer to Annex G-4.1 Domestic CTMS, which provides monthly and yearly costs and Annex G-4.2 Supporting Documents for Calculation of Cost of Production. There is no any significant difference between the costs reported, and the costs as normally determined in accordance with Chinese general accounting system.

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 '**AustralianCTMS**' 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.

Answer: Please refer to Annex G-5 Australian CTMS, which provides monthly and yearly costs. There is no cost differences between the deep drawn sinks sold to the domestic market and those sold for exports, except the different selling expenses for exports and domestic sales. There is no any significant difference between the costs reported, and the costs as normally determined in accordance with Chinese general accounting system.

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.

Answer: Please refer to Annex PART I-3.4 Steel Purchases. **【 confidential information】**

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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.

PART H-1 GENERAL INFORMATION

The information requested in this part will provide an overview of your corporate organisation and the Government of China's involvement in your

business. In addition to your response to each of the questions, all necessary supporting documentation is requested.

1. Specific questions are asked throughout this questionnaire in relation to the Government of China's interaction with your businesses.

However, please generally describe all interaction that your business has with the Government of China at all levels, including (but not limited to):

- a) reporting requirements;
- b) payment of taxes;
- c) senior management representation within your business;
- d) supervision by the State-owned Assets Supervision and Administration Commission (SASAC) or a body under the control of SASAC.
- e) approval/negotiation of business decisions (e.g. investment decisions, management decisions, pricing decisions, production decisions, sales decisions);
- f) licensing;
- g) restrictions on land use;
- h) provision of loans; or
- i) provision of grants, awards or other funds.

Answer: 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 is incorrect and cannot be substantiated by evidence. There is no government influence on the prices of the goods under consideration sold on the Chinese domestic market and for export or on the prices of the major raw material inputs (cold-rolled stainless steel) used in the manufacture of the goods. Both cold-rolled stainless steel and the goods under consideration are bought and sold respectively at market prices negotiated between the company and its customers.

Jiabaolu is a legal entity located in Zhongshan City, Guangdong Province. Zhongshan City is a local government at the municipal level. At its daily operations, Jiabaolu liaises with the local government of Zhongshan municipal government for tax declaration and financial statements filing. At Jiabaolu's establishment, Jiabaolu has to get the business license to start business.

Other than that, Jiabaolu is not aware of any other reporting requirements or government involvement in its the daily operations, purchases of raw material inputs and the selling prices of its products.

2. Business structure, ownership and management

- a) Indicate whether your company is a state-owned or state-invested enterprise (SIE) (refer to the Glossary of Terms for definition).

Answer: No, Jiabaolu is a privately-owned company.

- b) List the Board of Directors and Board of Shareholders of your business and all other entities/businesses your business is related to.

Indicate the names of common directors and officers between yours and related businesses, where applicable.

Answer: 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

- c) Are any members of your business' (and/or all other entities your business is related to) Board of Directors or Board of Shareholders representatives, employees, or otherwise affiliated with the Government of China (at any level, from any agency, party, or otherwise associated entity, including SASAC)?

If so, identify the individuals, their role on that Board and their affiliation with the Government of China.

Answer: No, Jiabaolu's member of Board of Directors or Board of Shareholders, or any representatives, employees is not affiliated with the Government of China.

- d) Does your business' (and/or all other entities your business is related to) Board of Directors or Board of Shareholders have a representative from the Chinese Communist Party (CCP)? If so, identify their name and title and indicate their position at the board level.

Answer: No, Jiabaolu's Board of Directors or Board of Shareholders does not have a representative from the Chinese Communist Party (CCP).

- e) Are any members of your business' (and/or all other entities your business is related to) Board of Directors or Board of Shareholders appointed, managed or recommended by the Government of China? If so, identify any relevant government department(s) they are affiliated with.

Answer: No, Jiabaolu's member of Board of Directors or Board of Shareholders is not appointed, managed or recommended by the Government of China.

- f) Indicate who owns what percentage of all shares in your business and identify whether they are:
- an affiliate, representative, agency or otherwise representative of the Government of China;
 - employees of your business;
 - foreign investors; or
 - other (please specify).

Answer: 【confidential information】 .

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

- g) Provide the details of any significant changes in the ownership structure of your business during the investigation period.

Answer: No such significant changes happen during the investigation period.

- h) Identify any positions within your business that are appointments or designated to act on behalf of Government of China authorities.

Answer: There is no such positions within Jiabaolu.

- i) Explain whether there are requirements in law and in practice to have government representation at any level of your business. If there is such a requirement, explain the role of government representatives appointed to any level of your business.

Answer: There is no such requirements in law and in practice.

- j) If your business is a publicly-traded company, what are the rules regarding the issuance of shares by your business? Identify any stock exchanges on which your business is listed.

Answer: Not applicable, Jiabaolu is a privately-owned company.

- k) Who has the ability to reward, fire or discipline your business' senior managers?

Answer: the board of shareholders has the authority to reward, fire or discipline the senior managers.

- l) Do any of your company's senior managers hold positions in any Government of China departments or organisations, associations or Chambers of Commerce? If so describe the nature of these positions.

Answer: No, the senior managers of Jiabaolu do not hold any government position.

- m) Provide the names and positions of your company's pricing committee.

Answer: As a small company, Jiabaolu does not have the pricing committee.

3. Licensing

- a) Provide a copy of your business license(s).

Answer: Please refer to Annex H-1.3.a Business License.

- b) Identify the Government of China departments or offices responsible for issuing the license(s).

Answer: The business license is issued by Administration for Industry and Commerce of Zhongshan City.

- c) Describe the procedures involved in applying for the license(s).

Answer: At the establishment of a company in order to get a business license, the company needs to submit the:

- company name pre-approval certificate;
- pre-registration application form;
- capital verification report on its registered capital.

- d) Describe any requirements or conditions that must be met in order to obtain the license(s).

Answer: According to Article 23 and 26 of Company Law, the following conditions shall be fulfilled for the incorporation of a limited liability company:

The number of shareholders shall confirm to the statutory number; (2) the capital contributions of the shareholders shall reach the statutory minimum amount of capital, that is RMB 30,000; (3) the shareholders shall have the jointly formulated the articles of association of the company; (4) the company shall have a name and an organizational structure established in compliance with the requirements for a limited liability company; and (5) the company shall have a domicile.

- e) Describe and explain any restrictions imposed on your business by the business license(s).

Answer: Jiabaolu should operate within the business scope indicated in the business license.

- f) Describe any sanctions imposed on your business if you act outside the scope of your business license(s).

Answer: In accordance with Regulations of the People's Republic of China for Controlling the Registration of Enterprises as Legal Persons, the company may be penalized by warning, fine, confiscation of illegal earnings, suspension of business for consideration or withholding or revoking the business license.

- g) Describe and explain any rights or benefits conferred to your business under the license(s).

Answer: No rights or benefits conferred to the business license.

- h) Describe the circumstances under which your business license(s) can be revoked, and who has the authority to revoke the license(s).

Answer: In accordance with Article 30 of Regulations of the People's Republic of China for Controlling the Registration of Enterprises as Legal Persons, the authority may revoke the business license due to the following cases: (1) concealing the true situation and resorting to deception in the course of registration or starting operations before the approval of its registration; (2) altering major items in the registration without permission or engaging in business operations beyond the scope of business as approved in registration; (3) failing to cancel registration according to the rules or failing to submit the annual check-up report or receive the annual check-up; (4) forging, altering, leasing, lending, transferring, selling or reproducing the Business License for Enterprise as a Legal Person or its duplicates without permission; (5) withdrawing or transferring capital, concealing assets or dodging abilities; (6) engaging in illegal business operations.

4. Decision-making, planning and reporting

- a) Provide a description of your business' decision-making structure in general and in respect of steel products. This should identify the persons or bodies primarily responsible for deciding:

- (i) what goods are produced;
- (ii) how the goods are produced;
- (iii) how levels of inputs such as raw materials, labour and energy are set and secured;
- (iv) how the use of your outputs, such as how your product mix is determined; and
- (v) how your business' profit is distributed, etc., is determined.

Answer: Jiabaolu is engaged in the manufacturing and selling of deep drawn sinks and fabricated sinks. Jiabaolu organizes the production according to the contract and purchasing orders from the customers. Profit distribution is decided by the board of shareholders.

- b) Provide a description of any Government of China input into the decision-making process respecting your manufacture, marketing and sale of steel products.

Answer: There is no governmental input into the decision-making process respecting Jiabaolu's manufacture, marketing and sale of steel products.

- c) Provide a list of all government departments/offices that are involved, either directly or indirectly, in your manufacture, sale or purchase of steel products.

Answer: There is no governmental input into the decision-making process respecting Jiabaolu's manufacture, marketing and sale of steel products.

- d) List and describe all reports that must be submitted to the Government of China periodically by your company, and identify the government department/office where each report is filed.

Answer: In its normal business, Jiabaolu shall file tax declaration with Taxation Bureau of Zhongshan City.

- e) Provide a copy of the last two Provincial/City Five Year Plans (including the appendices) for the province/city in which your business is located, whichever is applicable. The copies should be fully translated including the appendices, along with the original Chinese version.

Answer: No applicable, as far as Jiabaolu knows, there is no any governmental plans which is relating to sinks industry.

- f) Does your business develop any five-year plans or similar planning documents? If so, provide copies of these plans and advise whether these plans have been submitted, reviewed or approved by the Government of China (including the National Development and Reform Commission).

Answer: No applicable, as far as Jiabaolu knows, there is no any governmental plans which is relating to sinks industry.

- g) Provide copies of the minutes of your Board of Directors and Board of Shareholders meetings over the investigation period.

Answer: **【confidential inforamtion】**

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

- h) Provide copies of the notes to company meetings where pricing decisions on steel products have been made over the investigation period.

Answer: Not applicable, as a small company, Jiabaolu did not keep such notes.

PART H-2 GOVERNMENT OF CHINA MEASURES IN THE STEEL SECTOR

The information requested in this part will allow for a better understanding of the Government of China's measures in respect of steel in China, in addition to your response to each of the questions, all necessary supporting documentation is requested.

1. Are there any other Government of China opinions, directives, decrees, promulgations, measures, etc. concerning the steel industry/sector that were put in place or operating during the investigation period?

If yes, please provide a copy of that documentation and a translation as well. Also provide documentation concerning the Government of China or any association of the Government of China's notification of the measures concerning steel to your company over the investigation period.

Answer: Jiabaolu focuses on its own production and sales activities, and is not aware any of the governmental opinions, directives, decrees, promulgations, measures, etc. concerning the aluminium industry/sector.

2. Provide information concerning the name of any Government of China departments, bureaus or agencies responsible for the administration of all Government of China measures concerning the steel industry in the regions, provinces or special economic zones where your company is located.

Ensure that your response includes contact information regarding the following areas:

- industrial policy and guidance on the steel industry sector;
- market entry criteria for the steel industry sector;
- environmental enforcement for the steel industry sector;
- management of land utilization;
- the China Banking Regulatory Commission for the steel industry sector;
- investigation and inspection of new steel expansion facilities;
- the section in the National Development and Reform Commission that is responsible for the steel industry sector; and
- import licensing for iron ore, steel and other steel raw materials.

Answer: Jiabaolu focuses on its own production and sales activities, and does not possess such knowledge on the responsibilities of each governmental department or bureaus etc. Jiabaolu considers there is no any interference or control from the government in its normal business.

3. National Steel Policy

the Commission is aware of the 2005 *National Steel Policy* (also referred to as the Steel and Iron Industry Development Policy, as well as by several other titles). The following questions relate to that policy.

- b) Explain in detail how the policy and any updates regarding the policy were communicated to your company.
- c) Identify the government department, association, or company official that communicated this policy or any related measures, to your company as well as the government office or association and the names of the officials who are responsible for the administration of this policy.
- d) Explain in detail the information that has been provided to you from official and unofficial channels concerning action to be taken by your company in relation to the policy.
- e) Do you have designated officials that have provided direction to your company regarding the Government of China's measures and how to proceed with your current project or future plans within the scope of the policy?

- f) Explain in detail if there are additional directives or measures from the Government of China that have been communicated to your company, since the inception of the policy.
- g) Explain in detail whether the policy has ever impacted your company's investment plans. This may include reference to specific measures considered or taken by your company to address issues and/or objectives raised by the policy. Such items may include but are not limited to items such as project approval process, credit and loans (including discounted interest payments), the environment, the scale of production, energy use, raw material inputs etc.
- h) Explain the ongoing mechanism used by the Government of China to measure your company's compliance with the policy directives and/or guidelines.
- i) The policy includes directives and/or guidelines that permit authorities to limit the supply of water, power, land and bank loans etc. to steel producers, which do not meet the objectives of the policy.
- Explain in detail whether your company's expansion or investment plans have ever been or may be impacted by these criteria.
 - Explain the procedure to be followed by a steel company in making a request for approval of a steel investment for an existing steel enterprise or new steel enterprise.
 - Identify any Government of China bodies at the regional or provincial level that have the responsibility to grant the approval, or refuse approval regarding an investment in the steel sector.
 - Are review and approval decisions regarding investments in the steel sector made by the central government or are they delegated to the regional or provincial level?
- j) Describe the role of the National Development and Reform Commission in terms of communicating, implementing and overseeing policies governing the steel sector, including but not limited to, China's National Steel Policy.

Answer: As a small company, Jiabaolu focuses on its own production and sales activities, and does not possess the knowledge and answer to the above questions. Jiabaolu does not receive any communications from the government or industry associations regarding national steel policy or any related measures.

4. Other government approvals

The below questions address the approvals that are necessary from various Government of China agencies, including the National Development and Reform Commission, in order to continue or initiate steel investments.

- a) Explain whether your company has undertaken an approval process through the Government of China for any steel investments in the last 10 years.
- b) Explain whether any applicable investments received the necessary approval and if so, provide documentation confirming this approval.
- c) If your investment was not approved, provide the reasons given for the refusal.
- d) Describe the process your company has to follow to obtain these approvals.
- e) Provide a translated copy of the application form along with the original Chinese version.
- f) Identify the office that sent communication of these requirements to your company along with the office address, contact names, phone numbers and fax numbers.

Answer: As a small company, Jiabaolu focuses on its own production and sales activities, and does not possess the knowledge and answer to the above questions. Sinks industry is not part of steel industry. For manufacturers of sink, there is no requirement of specific governmental approval, except the business license.

5. Steel industry rationalisation

The below questions address the efforts of the Government of China to rationalise the steel industry sector in China through a combination of closures and consolidations of steel making assets.

- a) Describe to what extent, if any, your company has been directed, encouraged or requested to merge or consolidate operations with

one or several other steel in China either by the National Development and Reform Commission or any other entities.

- b) Describe to what extent, if any, a facility owned by your company has ever been identified by the Government of China as a candidate for closure within the next two years.

Answer: As a small company, Jiabaolu focuses on its own production and sales activities, and does not possess the knowledge and answer to the above questions. Sinks industry is not part of steel industry.

PART H-3 THE DEEP DRAWN STAINLESS STEEL SINKS SECTOR

The information requested in this part will assist in providing a better understanding of the Government of China measures and your business' sales and production of deep drawn stainless steel sinks.

In addition to your narrative response to each of the questions, all necessary supporting documentation is requested.

1. Export quotas and licensing

- a) Are deep drawn stainless steel sinks sold by your company subject to any export quotas?

If so, explain why deep drawn stainless steel sinks are subject to quotas and the method by which the quotas are allocated.

Does this process involve any Government of China participation in determining the selling prices of the goods? If so, explain.

- b) If deep drawn stainless steel sinks are not presently subject to export quotas, indicate if quotas existed during the investigation period and when and why they were removed.
- c) Identify which Government of China agency legislates and monitors any such quotas.
- d) Has the Government of China set any targets or limits regarding the quantity of deep drawn stainless steel sinks that you may sell on the domestic or export markets? If so, provide details.
- e) Are there any export licence requirements for deep drawn stainless steel sinks? If so, provide details.

Answer: Not applicable. No such export quotas or license exist.

2. Taxation

- a) Were there any export taxes on the exports of deep drawn stainless steel sinks during the investigation period?

Answer: Not applicable. No such export quotas or license exist.

- b) What was the VAT rebate applicable to deep drawn stainless steel sinks exports during the investigation period?

Answer: VAT rebate ratios is 9%.

- c) Have there been any changes to the value-added tax rebate applicable to steel exports in the last 5 years? If yes, provide:
- i. a detailed chronological history of the value-added tax rebate rates;
 - ii. products affected;
 - iii. the effective dates of the rate changes;
 - iv. fully translated copies of any Government of China notices regarding these changes, including the relevant appendices.

- d) Are you aware of any tax changes being planned that would impact the deep drawn stainless steel sinks sector?

Answer: Not applicable. Jiabaolu are not aware of any planning tax changes.

3. Sales terms

- a) Identify the person who authorises the sales terms, prices and other contract provisions for the sale of deep drawn stainless steel sinks by your business.

Answer: the general managers of both Jiabaolu and Zhongshan Flowtech can determine the sales terms, prices and other contract provisions for the sale of deep drawn stainless steel sinks.

- b) Explain how the selling prices of deep drawn stainless steel sinks by your business are determined, including any Government of China involvement in your business' pricing decisions, and indicate if the goods are subject to Government of China direct or indirect pricing or government guidance pricing.

Answer: 【confidential information】 Government is not involved in the pricing decisions of Jiabaolu. The goods are not subject to the government direct or indirect pricing or government guidance pricing.

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

- c) Does your business coordinate the selling prices or supply of deep drawn stainless steel sinks with other domestic steel and steel product producers, any Government of China departments, or the China Iron and Steel Association? If so, provide details.

Answer: No, Jiabaolu does not coordinate the selling prices with any other producers, governmental department or association.

- d) Explain whether your business provides deep drawn stainless steel sinks price information/data to the Government of China, the China Iron and Steel Association (CISA), other government officials or commercial/industry organisations, including those outside of China, which report on the steel sector.

Answer: No, Jiabaolu does not provide its price information/data to the government, association, or any other outside person or organisation.

- e) Explain whether your business provides deep drawn stainless steel sinks price data to any other person at the provincial, regional or special economic zone level of government.

Answer: No, Jiabaolu does not provide its price information/data to the government, association, or any other outside person or organisation.

4. Involvement with CISA

- a) Is your business a member of CISA or regional Iron & Steel Associations? If so, explain your business' relationship with the association and the involvement of the Government of China with the CISA.

Answer: No, Jiabaolu is not a member of CISA.

- b) If your business is a member of the CISA, indicate whether this membership is voluntary or compulsory. Explain the functions that the CISA provides for your business. Explain in detail the role of the CISA with respect to the directives as provided by the Government of China concerning the steel industry.

Answer: No, Jiabaolu is not a member of CISA.

5. Other industry associations

- a) Is your business a member of any other industry associations? If so, explain your business' relationship with the association and the involvement of the Government of China with the association.

Answer: No, Jiabaolu is not a member of any other industry associations.

- b) If your business is a member of another industry association, indicate whether this membership is voluntary or compulsory. Explain the functions that the association provides for your business. Explain in detail the role of the association with respect to the directives as provided by the Government of China concerning the steel industry.

Answer: No, Jiabaolu is not a member of any other industry associations.

6. Statistics submission/recording

- a) Indicate if your business makes submissions³ to the Chinese Bureau of Statistics and/or any other government organisation. If yes, explain the purpose of these submissions and the type of information submitted.
- b) Provide a recent example of a submission that has been made to the Bureau of Statistics and/or any other government organisation. For example, monthly data relating to sales, production and costs.
- c) Do the organisations approve or assess your submission? If yes, provide a detailed explanation.
- d) Do the organisations provide feedback on your submission? If yes, provide a detailed explanation.

Answer: No, Jiabaolu does not make submissions to the Chinese Bureau of Statistics and/or any other government organisation.

7. Raw material supply

- a) Is there a price difference in purchase price for raw materials (i.e. cold-rolled stainless steel or any other raw material) between your suppliers?

Answer: Yes, purchase prices are negotiated market prices, so they may vary among the suppliers.

- b) Is there a price difference between purchase price of raw materials from SIEs and non-SIEs? Provide explanation.

Note: the applicant alleges that producers in China of deep drawn stainless steel sinks have benefited from the provision of cold-rolled stainless steel by the Government of China at less than fair market value (see Program 1 in Section I of this questionnaire).

Further questions regarding cold-rolled stainless steel supply and pricing are asked in Section I of this questionnaire. Your responses to these questions are relevant to the assessment of whether a market situation exists. Ensure responses to these questions are complete.

Answer: No such difference exists.

8. Regional differences

³For example, monthly data relating to sales, production and costs.

- a) If you have production facilities in more than one region/province, are the laws and regulations in each region the same with respect to pricing? Provide details on any regional differences.

Answer: No such difference exists.

9. Deep drawn stainless steel sinks production/output during the investigation period

- a) Is any part of your production of deep drawn stainless steel sinks subject to any national/regional industrial policy or guidance? If so, provide details including a background of the policy/guidance and explain any restriction imposed by the policy/guidance.

Answer: No, Jiabaolu's production is not subject to any national/regional industrial policy or guidance.

- b) To what extent are any of the policies/guidelines identified in a) applicable to your business?

Answer: No, Jiabaolu's production is not subject to any national/regional industrial policy or guidance.

- c) Where applicable, how did your business respond to the policies/guidelines?

Answer: No, Jiabaolu's production is not subject to any national/regional industrial policy or guidance.

- d) Provide details regarding any other restrictions (e.g., geographic/regional, downstream, use, etc.) to the sale of deep drawn stainless steel sinks that may be imposed by the Government of China.

Answer: No, Jiabaolu's business is not subject to any governmental restriction.

10. Sales price during the investigation period

- a) Explain whether your business has been subjected to any direct or indirect price guidance or controls by the Government of China during the investigation period, with respect to domestic steel prices.

Answer: No, Jiabaolu's business is not subjected to any direct or indirect price guidance or controls by the government, with respect to domestic steel prices.

- b) Explain whether your business has been subjected to any direct or indirect price guidance or controls by the Government of China

during the investigation period, with respect to raw material inputs (i.e. iron ore, coal, billet, cold-rolled stainless steel, etc.).

Answer: No, Jiabaolu's business is not subjected to any direct or indirect price guidance or controls by the government, with respect to raw material inputs.

- c) Explain whether your business has encountered any price guidance or controls established by regional, provincial or special economic zone officials and/or organisations.

Answer: No, Jiabaolu's business is not subjected to any price guidance or controls established by regional, provincial or special economic zone officials and/or organisations.

11. Adding capacity and/or joint ventures

- a) Provide a detailed explanation with respect to the government approval process on adding capacity and/or joint ventures in relation to your business.

Answer: Not applicable. No approval is required for adding capacity and/or joint ventures.

- b) Does the government have the right to request modifications in the terms of adding capacity and/or joint ventures? If yes, provide a detailed explanation.

Answer: Not applicable. No approval is required for adding capacity and/or joint ventures.

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.

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 benefit⁴ 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

Answer: Not applicable. Jiabaolu did not receive any benefit from these two programs, the normal income tax rate of Jiabaolu is 25%. Please refer to Annex A-4.3-2 Audited Report of Year 2012 and 2013, which also includes the income tax return of Year 2012 and 2013. It clearly shows there is no any preferential tax treatment. For this reason, Jiabaolu does not answer the questions under PART I-1.

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.
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.
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.

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

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

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

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.

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

Answer: Not applicable. As a small company, Jiabaolu did not receive any benefit under the above programs. Jiabaolu did not borrow any bank loans during the investigation period.

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

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

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

4. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production, or only certain products that have undergone research and development).
5. Describe the application and approval procedures for obtaining a benefit under the program.
6. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the Government of China in relation to the program.
7. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.
8. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.
9. State whether your eligibility for the program was conditional on one or more of the following criteria:
 - a) whether or not your business exports or has increased its exports;
 - b) the use of domestic rather than imported inputs;
 - c) the industry to which your business belongs; or
 - d) the region in which your business is located.
10. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
11. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.
12. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.
13. To your knowledge, does the program still operate or has it been terminated?

14. If the program has been terminated, please provide details (when, why). When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

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

15. Identify the body responsible for administering the grant.
16. Identify the date of approval of the grant and the date the grant was received.
17. Indicate where the grant was accounted for on your business' financial statements.

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 **January to 31 December 2013**.

Answer: Not applicable. Jiabaolu did not purchase cold-rolled stainless steel from any state-owned or invested enterprises (SIEs). 【 confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

Answer: 【 】 Jiabaolu purchases water and power from state-owned companies, because in China most of utilities suppliers are state-owned companies.

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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.

Answer: 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

Answer: Please refer to Annex PART I-3.4 Steel Purchases.

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.

Answer: Jiabaolu did not receive any reduction/reduced price for the purchase of these goods/services during the investigation period.

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.

Answer: Not applicable, Jiabaolu did not receive any assistance/benefits under this program.

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.

Answer: Not applicable, Jiabaolu did not purchase imported raw materials.

PART I-4 ANY OTHER PROGRAMS

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

This may have included:

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

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

Answer: During the period of investigation, Jiabaolu received the following benefits from local governments. 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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

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).

Answer: the above benefits are not targeted at any specific product.

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

Answer: the local government informs Jiabaolu that it is eligible for certain programs, then Jiabaolu prepares the application documents according to the requirements of local government. The local government will examine the application materials, and determine the amount of benefit granted to Jiabaolu. Jiabaolu receives the approval and submits its bank account to the local government. The approved benefit is remitted to Jiabaolu's bank account.

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.

Answer: Jiabaolu did not keep the application form or other documentation.

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

Answer: there is no such fees or expenses.

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

Answer: 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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.

Answer: 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

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.

Answer: No such requirement.

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.

Answer: Please refer to Annex PART I-4.8 Ledger Account of Non-operating Income, which records the receipt of each benefit.

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

Answer: Please refer to Annex PART I-4.8 Ledger Account of Non-operating Income, which records the receipt of each benefit.

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

Answer: As far as Jiabaolu knows, these programs are still in operation.

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.

Answer: As far as Jiabaolu knows, these programs are still in operation.

SECTION K - CHECKLIST

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

Section	Please tick if you have responded to all questions
Section A – general information	<input checked="" type="checkbox"/>
Section B – export price	<input checked="" type="checkbox"/>
Section C – like goods	<input checked="" type="checkbox"/>
Section D – domestic price	<input checked="" type="checkbox"/>
Section E – fair comparison	<input checked="" type="checkbox"/>
Section F – exports to third countries	<input checked="" type="checkbox"/>
Section G – costing information	<input checked="" type="checkbox"/>
Section H – particular market situation	<input checked="" type="checkbox"/>
Section I – countervailing (subsidisation)	<input checked="" type="checkbox"/>
Section J - declaration	<input checked="" type="checkbox"/>

Electronic Data	Please tick if you have provided spreadsheet
INCOME STATEMENT	<input checked="" type="checkbox"/>
TURNOVER – sales summary	<input checked="" type="checkbox"/>
AUSTRALIAN SALES – list of sales to Australia	<input checked="" type="checkbox"/>
DOMESTIC SALES – list of all domestic sales of like goods	<input checked="" type="checkbox"/>
THIRD COUNTRY – third country sales	<input checked="" type="checkbox"/>
PRODUCTION – production figures	<input checked="" type="checkbox"/>
DOMESTIC CTMS – costs of goods sold domestically	<input checked="" type="checkbox"/>
AUSTRALIAN CTMS – costs of goods sold to Australia	<input checked="" type="checkbox"/>
INCOME TAX – tax paid by your business for tax years 2011 to 2013	<input checked="" type="checkbox"/>
STEEL PURCHASES – data for all cold-rolled stainless steel purchased during the investigation period	<input checked="" type="checkbox"/>

ANNEX LIST

1. Annex A-3.2 Company Shareholders (FOR OFFICIAL USE ONLY)
2. Annex A-3.5 Affiliation Chart (FOR OFFICIAL USE ONLY)
3. Annex A-3.9 Internal Organizational Chart (FOR OFFICIAL USE ONLY)
4. Annex A-4.3-1 Chart of Account (FOR OFFICIAL USE ONLY)
5. Annex A-4.3-2 Audited Report of Year 2012 and 2013 (FOR OFFICIAL USE ONLY)
6. Annex A-5 Income Statement (FOR OFFICIAL USE ONLY)
7. Annex A-6 Turnover (FOR OFFICIAL USE ONLY)
8. Annex B-2-(d) Manufacture & Supply Agreement and Agency Agreement (FOR OFFICIAL USE ONLY)
9. Annex B-4 Australian Sales of Jiabaolu (FOR OFFICIAL USE ONLY)
10. Annex B-9 Sample Transaction Documents of Australian Sales (FOR OFFICIAL USE ONLY)
11. Annex C-3 Edge Type of Sink (FOR OFFICIAL USE ONLY)
12. Annex D-1-1 Sample Sales Contract with OEM Customer (FOR OFFICIAL USE ONLY)
13. Annex D-1-2 Sample Sales Contract with Regional Distributor (FOR OFFICIAL USE ONLY)
14. Annex D-3 Sample Price Lists (FOR OFFICIAL USE ONLY)
15. Annex D-5 Domestic Sales of Jiabaolu (FOR OFFICIAL USE ONLY)
16. Annex D-7 Sample Transaction Documents of Domestic Sales (FOR OFFICIAL USE ONLY)
17. Annex E-2.4-1 Calculation of Credit Expenses Adjustment of Domestic Sales (FOR OFFICIAL USE ONLY)
18. Annex E-2.4-2 Interest Rate of Short-term Loans Published by the People's Bank of China (FOR OFFICIAL USE ONLY)
19. Annex E-2.10 Adjustment of Various Selling Expenses (FOR OFFICIAL USE ONLY)
20. Annex F-1 Third Country Sales of Jiabaolu (FOR OFFICIAL USE ONLY)
21. Annex G-1.1 Flow Chart of Production Process (FOR OFFICIAL USE ONLY)
22. Annex G-2 Production (FOR OFFICIAL USE ONLY)
23. Annex G-4.1 Domestic CTMS (FOR OFFICIAL USE ONLY)

24. Annex G-4.2 Supporting Documents for Calculation of Cost of Production (FOR OFFICIAL USE ONLY)
25. Annex G-5 Australian CTMS (FOR OFFICIAL USE ONLY)
26. Annex PART I-3.4 Steel Purchases (FOR OFFICIAL USE ONLY)
27. Annex H-1.3.a Business License (FOR OFFICIAL USE ONLY)
28. Annex PART I-4.8 Ledger Account of Non-operating Income (FOR OFFICIAL USE ONLY)

CERTIFICATE

Having made due enquiry, I hereby certify that the information contained in this submission is true, complete and correct to the best of my knowledge and belief, on the basis of the record available and generally maintained by the company, and nothing material has been concealed or misrepresented. I am fully aware that in the event of any data/ information/claim found to be contrary to the records maintained by the company, the Designated Authority would have full discretion to reject the entire information and make appropriate assessment.

Date: May 4th, 2014



(Signature)



Henry Chen, General Manager
(Name/Title)