



Australian Government  
Department of Industry,  
Innovation and Science

Anti-Dumping  
Commission

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## Exporter Questionnaire (Malaysia)

**Product:** Aluminium extrusions

**From:** Malaysia and the Socialist Republic of Vietnam

**Period of Investigation:** 1 July 2015 to 30 June 2016

**Response due by:** 22 September 2016

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

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**Anti-Dumping Commission website:** [www.adcommission.gov.au](http://www.adcommission.gov.au)

**Return completed questionnaire to:** [operations3@adcommission.gov.au](mailto:operations3@adcommission.gov.au)

OR

Anti-Dumping Commission  
GPO Box 1632  
Melbourne  
Victoria 3000  
Australia

Attention: Director Operations 3

## **GOODS UNDER CONSIDERATION**

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

*“Aluminium extrusions that:*

- *are produced by an extrusion process;*
- *are of alloys having metallic elements falling within the alloy designations published by The Aluminium Association commencing with 1, 2, 3, 5, 6 or 7 (or proprietary or other certifying body equivalents);*
- *have finishes being:*
  - *as extruded (mill);*
  - *mechanically worked*
  - *anodized; or*
  - *painted or otherwise coated, whether or not worked;*
- *have a wall thickness or diameter greater than 0.5 mm;*
- *have a maximum weight per metre of 27 kilograms; and*
- *have a profile or cross-section fitting within a circle having a diameter of 421 mm”.*

The goods under consideration include aluminium extrusion products that have been further processed or fabricated to a limited extent, after aluminium has been extruded through a die. For example, aluminium extrusion products that have been painted, anodised, or otherwise coated, or worked (e.g. precision cut, machined, punched or drilled) fall within the scope of the goods.

The goods under consideration do not extend to intermediate or finished products that are processed or fabricated to such an extent that they no longer possess the nature and physical characteristics of an aluminium extrusion, but have become a different product.

The following additional information assists in understanding the goods:

Extrusion is the process of shaping heated material by forcing it through a shaped opening in a die with the material emerging as an elongated piece with the same profile as the die cavity. For greater clarity, the goods do not include goods made by the process of impact extrusion or cold extrusion.

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Alloys are metals composed of more than one metallic element. Alloys used in aluminium extrusions contain small amounts (usually less than five percent) of elements such as copper, manganese, silicon, magnesium, or zinc which enable characteristics such as corrosion resistance, increased strength or improved formability to be imparted to the major metallic element, aluminium.

Aluminium alloys are produced to specifications in “International Alloy Designations and Chemical Composition Limits for Wrought Aluminum and Wrought Aluminum Alloys” published by The Aluminum Association. It includes all alloy designations - these specifications are known in the industry as “Teal Sheets”). These specifications have equivalent designations issued by other certifying bodies such as the International Standards Organization.

### Effects of Alloying Elements

The properties and characteristics of aluminium, such as density, conductivity, corrosion resistance, finish, mechanical properties, and thermal expansion, are modified by the addition of alloying elements. The resulting effect depends upon the principal alloying elements used, as detailed in the table below.

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<b>Wrought Alloy Designation</b>	<b>Major Alloying Elements and Typical Alloy Characteristics</b>	<b>S o u r c e :  T h e  A l u m i n u m  A s s o c i a</b>
1xxx Series	Minimum 99% aluminium High corrosion resistance. Excellent finishability. Easily joined by all methods. Low strength. Poor machinability. Excellent workability. High electrical and thermal conductivity.	
2xxx Series	Copper High strength. Relatively low corrosion resistance. Excellent machinability. Heat treatable.	
3xxx Series	Manganese Low to medium strength. Good corrosion resistance. Poor machinability. Good workability.	
4xxx Series	Silicon Not available as extruded products.	
5xxx Series	Magnesium Low to moderate strength. Excellent marine corrosion resistance. Very good weldability.	
6xxx Series	Magnesium & Silicon Most popular extrusion alloy class. Good extrudability. Good strength. Good corrosion resistance. Good machinability. Good weldability. Good formability. Heat treatable.	
7xxx Series	Zinc Very high strength. Good machinability. Heat treatable.	

*tion (US)*

Profiles and shapes - All aluminium extrusions are produced as either hollow or solid profiles. Hollow profile extrusions generally cost more to produce and obtain higher prices than solid profile extrusions. Extrusions are often produced in standard shapes such as bars, rods, pipes and tubes, angles, channels and tees but they are also produced in customised profiles.

Finishes - In addition to 'as extruded' or mill finish, extrusions can be finished mechanically by polishing, buffing or tumbling. Extrusions can have anodized finishes applied by means of an electro-chemical process that forms a durable, porous oxide film on the surface of the aluminium. Also, they can be finished by painting with liquid or powder coatings utilising an electrostatic application process.

For the purposes of this application, aluminium extrusions are further classified into four "finish" types:

- Mill Finish - Plain metal finish, uncoated (i.e. "as extruded from the die");
- Anodised - Surface converted to aluminium oxide (by electrolysis) and may be coloured by electrolytic or chemical dye means;
- Powder Coated - Charged powder particles are sprayed and adhere to electrically grounded surfaces, heated and fused into a smooth coating in a curing oven; and
- Painted or Other Finish - Painted or finished in other surface applications.

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Size range - The ability to produce the full range of profiles is determined by the extrusion and ancillary equipment.

“Working” extrusions includes any operation performed other than mechanical, anodized, painted or other finishing, prior to utilisation of the extrusion in a finished product.

Standards - Aluminium extrusions are manufactured to a variety of Australian and International standards. Products exported to Australia are often claimed to comply with one or more of the following standards:

- ASTM B221M-88 (USA);
- BS1474.1987 (UK); and
- GB/5237.1-2000 (China).

The most common Australian / New Zealand standard is AS/NZ 1866:1997, which specifies requirements for aluminium and aluminium alloy extruded rod, bar, solid and hollow products for general engineering purposes.

The goods are normally classified to the following tariff subheadings of Schedule 3 to the *Customs Tariff Act 1995*:

<b>Tariff classification (<i>Schedule 3 of the Customs Tariff Act 1995</i>)</b>			
<i>Tariff code</i>	<i>Statistical code</i>	<i>Unit</i>	<i>Description</i>
7604.10.00	06	Kg	Non alloyed aluminium bars, rods and profiles
7604.21.00	07	Kg	Aluminium alloy hollow angles and other shapes
7604.21.00	08	Kg	Aluminium alloy hollow profiles
7604.29.00	09	Kg	Aluminium alloy non hollow angles and other shapes
7604.29.00	10	Kg	Aluminium alloy non hollow profiles
7608.10.00	09	Kg	Non alloyed aluminium tubes and pipes
7608.20.00	10	Kg	Aluminium alloy tubes and pipes
7610.10.00	12	Kg	Doors, windows and their frames and thresholds for doors
7610.90.00	13	Kg	Other

The table below provides examples of the coverage of the goods and like goods (and intended end-use applications) and will be used for this investigation. Examples of the goods and like goods are outlined in columns 1-4 and non-subject goods are outlined in columns 5 to 7.

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< GUC >				< Non GUC >		
1	2	3	4	5	6	7
Aluminium extrusions	Aluminium extrusions with minor working	Aluminium extrusions that are parts intended for use in intermediate or finished products	Aluminium extrusions that are themselves finished products	Unassembled products containing aluminium extrusions, e.g. 'kits' that at time of import comprise all necessary parts to assemble finished goods	Intermediate or partly assembled products containing aluminium extrusions	Fully assembled finished products containing aluminium extrusions
< Examples >						
Mill finish, painted, powder coated, anodised, or otherwise coated aluminium extrusions	Precision cut, machined, punched or drilled aluminium extrusions	Aluminium extrusions designed for use in a door or window	Carpet liner, fence posts, heat sinks	Shower frame kits, window kits, unassembled unitised curtain walls	Unglazed window or door frames	Windows, doors

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## **INSTRUCTIONS**

### **Why you have been asked to fill out this questionnaire?**

The Anti-Dumping Commission (the Commission) is responsible for investigating the allegation that aluminium extrusions have been exported to Australia from Malaysia and the Socialist Republic of Vietnam (Vietnam) at prices less than their normal value and/or were in receipt of countervailable subsidies and that the dumping and/or subsidisation has caused material injury to the Australian industry

The Commission will use the information you provide to determine normal values, subsidies and export prices over the investigation period. This information will also determine whether the goods were dumped and/or subsidised. You may make separate submissions concerning any other matter, for example injury.

The Commission's investigation will be carried out under the provisions of the Part XVB of the *Customs Act 1901*.

### **What happens if you do not respond to this questionnaire?**

You do not have to complete the questionnaire. However, if you do not respond, do not provide all of the information sought, do not provide information within a reasonable time period, or do not allow the Commission to verify the information, we may deem you uncooperative. In that case the Commission may be required to rely on information supplied by other parties (possibly information supplied by the Australian industry). In that case we may assess a dumping and/or subsidy margin for your company based upon normal values and/or subsidies that may be the highest determined in your country during the investigation period.

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

### **Due date for response**

Manufacturers and exporters are requested to respond to this questionnaire and return it to the Commission within the time specified on the cover page.

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

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



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- determining whether an entity has significantly impeded a case.

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

### **Confidential and non-confidential submissions**

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

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

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

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

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

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

[explanation of cost allocation through the divisions].

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

### **Exporter's declaration**

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

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

## **Verification of the information that you supply**

The Commission will seek to verify the information provided in your submission. Where there are a large number of exporters, the Commission may have to verify information from selected exporters only. The purpose of the visit is to verify the information submitted in response to this questionnaire. It is not meant to be a chance for you to provide new or additional information. The Commission expects your response to the questionnaire to be complete and accurate.

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

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

### **If you do not manufacture the goods**

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

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

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

### **If you do not export the goods**

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

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

## **Outline of information required by this questionnaire**

**Section A** General information relating to your company including financial reports.

**Section B** A complete list of your company's exports to Australia over the investigation period.

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- Section C** A list of goods sold on the domestic market of the country of export (like goods) that may be compared to the goods under consideration (the goods).
- Section D** A detailed list of all of your company's sales of like goods in your domestic market.
- Section E** Information to allow a fair comparison between export and domestic prices.
- Section F** Information in relation to your company's exports of like goods to countries other than Australia.
- Section G** Costs to make and sell, for exports to Australia and for the domestic market.
- Section H** Your declaration.
- Section I** A checklist.
- Appendix 1** A glossary of terms used in this questionnaire

### **Some general instructions for preparing your response**

- When answering the questionnaire please carefully read all instructions. The Commission requires a response to *all* sections of this questionnaire. Please provide an explanation if a question is not relevant to your situation.
  
- For any information provided that is not in English, please provide an English translated version also.
  
- Answer questions in the order presented in the questionnaire. Please ensure that information submitted conforms to the requested format and is clearly labelled. Please repeat the question to which you are responding and place your answer below it.
  
- Identify source documents and advise where they are kept. During on-site verification you should be prepared to substantiate all the information you have submitted.
  
- Every part of the response should be traceable to company documents that are used in the ordinary course of business.

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- We recommend that you retain all work sheets used in answering the questionnaire, in particular those linking the information supplied with management and accounting records. This will help us to verify the information.
  
- Clearly identify all units of measurement and currencies used. Apply the same measurement consistently throughout your response to the questionnaire.

### **Instructions on providing electronic data**

- It is important that information is submitted in electronic format.
- Electronic data should be emailed or submitted on a USB or CD-ROM.
- The data must be created as spreadsheet files, preferably in Microsoft Excel, or alternatively in an Excel compatible format (for example, Excel can normally access data in Dbase or as an ASCII file).
- The Excel files must be compatible to the USA version.
- If you cannot present electronic data in the requested format, contact the investigation case officer as soon as possible.
- Where spreadsheets are required, ensure that all formulas are included to show how the data was derived.

### **Further information**

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

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

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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: KAMCO ALUMINIUM SDN BHD*

Name: LIM TZE CHAO

Position in the company: CHIEF EXECUTIVE OFFICER

Address: LOT338, JALAN SUNGAI BESI, 57100 KL

Telephone: 03-92228135/36

Facsimile number: 03-92229039

E-mail address of contact person: tclim@kamcoaluminium.com

*Factory:*

Address: LOT338, JALAN SUNGAI BESI, 57100 KL

Telephone: 03-92228135/36

Facsimile number: 03-92229039

E-mail address of contact person: tclim@kamcoaluminium.com

**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: LIM TZE CHAO

Address: LOT338, JALAN SUNGAI BESI, 57100 KL

Telephone: 03-92228135/36

Facsimile number: 03-92229039

E-mail address of contact person: tclim@kamcoaluminium.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.

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**OUR COMPANY IS UNDER PARTNERSHIP. WE ONLY USE KAMCO ALUMINIUM SDN BHD TO EXPORT.**

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).

**LIM PUAY FUNG 50%**  
**CHAN LIAN YEN 25%**  
**LIM TZE CHAO 25%**

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

**NOT APPLICABLE**

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

**NOT APPLICABLE**

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

**NOT APPLICABLE**

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

**NOT APPLICABLE**

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

**WE ARE ALUMINIUM MANUFACTURE, WE PROVIDE THE SERVICES SUCH LIKE ALUMINIUM DIE, ALUMINIUM EXTRUDER, ALUMINIUM ANODIZIN, POWDER COATING AND FABRICATION.**

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.

**WE ARE THE MANUFACTURE, SO THIS PART IS NOT APPLICABLE.**

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

**OUR ORGANIZATION CHART IS DIRECTOR-OPERATION MANAGER-HEAD DEPARTMENT-SUPEVISOR.**

**DIRECTOR-DECISON MAKER FOR KAMCO ALUMINIUM SDN BHD**

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OPERATION MANAGER- ASSISTANT DIRECTOR AND FACTORY OPERATION  
HEAD OF DEPARTMENT- HANDLING DEPARTMENT ISSUED AND REPORT TO  
OPERATION MANAGER.

SUPERVISOR- REPORT TO DIRECTOR. REPAIR THE DAILY PRODUCTION  
REPORT.

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

SEE THE ATTACHMENT ANNUAL REPORT 2014 & 2015

### A-4 General accounting/administration information

1. Indicate your accounting period.  
1ST JANUARY TO 31 DECEMBER

2. Indicate the address where the company's financial records are held.  
ALLAM CHOONG & CO  
32A, LORONG YAP HIN,  
OFF JALAN PASAR,  
55100 KUALA LUMPUR MALAYSIA.

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), and management reports, 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.

SEE THE ATTACHMENT MANAGEMENT REPORT.

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.

SEE THE ATTACHMENT ANNUAL REPORT 2014 & 2015

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

NOT APPLICABLE

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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);  
**FIRST IN FIRST OUT**
- 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);  
**BY TONNES AND DIRECT COSTS**
- valuation methods for damaged or sub-standard goods generated at the various stages of production;  
**NOT APPLICABLE**
- valuation methods for scrap, by products, or joint products;  
**BY PRODUCTS**
- valuation and revaluation methods for fixed assets;  
**SEE THE ATTACHMENT ANNUAL REPORT 2014 & 2015**
- average useful life for each class of production equipment and depreciation method and rate used for each;  
**SEE THE ATTACHMENT ANNUAL REPORT 2014 & 2015**
- treatment of foreign exchange gains and losses arising from transactions;  
**SEE THE ATTACHMENT ANNUAL REPORT 2014 & 2015**
- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;  
**SEE THE ATTACHMENT ANNUAL REPORT 2014 & 2015**
- inclusion of general expenses and/or interest;  
**SEE THE ATTACHMENT ANNUAL REPORT 2014 & 2015**
- provisions for bad or doubtful debts;  
**SEE THE ATTACHMENT ANNUAL REPORT 2014 & 2015**
- expenses for idle equipment and/or plant shut-downs;  
**SEE THE ATTACHMENT ANNUAL REPORT 2014 & 2015**
- costs of plant closure;  
**SEE THE ATTACHMENT ANNUAL REPORT 2014 & 2015**
- restructuring costs;  
**NOT APPLICABLE**



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- by-products and scrap materials resulting from your company's production process; and  
NOT APPLICABLE

- effects of inflation on financial statement information.  
**SEE THE ATTACHMENT ANNUAL REPORT 2014 & 2015**

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.

### **A-5 Income statement**

Prepare the information required in the table on the spreadsheet named "**A-5 income statement**".

**REFER TO THE SPREADSHEET**

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

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

*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.*

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**A-6 Sales**

Prepare the information required in the table in the spreadsheet named "**A-6 turnover**".

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. Use the format provided.

*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.*

***REFER TO THE SPREADSHEET***

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**SECTION B  
SALES TO AUSTRALIA (EXPORT PRICE)**

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

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

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

*the sale date is not the invoice date (see 'date of sale' column in question B4 below) and;*

*an alternative date should be used when comparing export and domestic prices*

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

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

name;3S LIGHTING  
address;2 WELLA WAY, SOMERSBY 2250 NSW  
contact name and phone/fax number where known; and  
trade level : MR ROBERT DOME/ 0243407180/0243407176/END USER

name;BORG MANUFACTURING PTY LTD  
address;2 WELLA WAY, SOMERSBY 2250 NSW  
contact name and phone/fax number where known; and  
trade level : GLEN WATTY/ 0243407180/0243407176/END USER

name;AGEM NEW ENERGY PTY LTD  
address; UNIT1, 68-72 DERBY STREET, SILVERWATER,NSW 2128  
contact name and phone/fax number where known; and  
trade level : ALVA WU / 61297481188/61290287098/END USER

name; VETRI GLAZING SYSTEM PTY LTD  
address; 18 UNDERWOOD AVENUE, BOTANY. NSW 2019  
contact name and phone/fax number where known; and  
trade level : CHRIS DIMITRIADIS/ 61296951133/ 61296951187/ END USER

name;MAGELLAN POWERTRONICS PTY LTD  
address; 64, BUSHLAND RIDGR, BIBRA LAKE, WESTERN AUSTRALIA  
contact name and phone/fax number where known; and  
trade level: IKRAMY GARAS / 61894346621/61894346623/END USER

**FOR PUBLIC RECORD**

name;VITROCSA AUSTRALIA PTY LTD  
address; 8/54, CHEGWYN ST, BOTANY, NSW 2019  
contact name and phone/fax number where known; and  
trade level : CHRIS DIMITRIADIS/ 61296951184/61296951187/END  
USER

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

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

**FOB AND CIF**

- (β) 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.

**KAMCO ALUMINIUM SDN BHD- SELLER**

**CIF-FM GLOBAL LOGISTIC SDN BHD (KAMCO APPOINT FORWARDER) WILL ARRANGE FOR THE SHIPMENT AND DO THE CUSTOM CLEARANCE.**

**FOB-BUYER FORWARDER WILL ARRANGE FOR THE SHIPMENT AND KAMCO ALUMINIUM SDN BHD WILL DO THE CUSTOM CLEARANCE.**

- (χ) 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.

**IN MALAYSIA-KAMCO ALUMINIUM SDN BHD**

**ON SHIP-FORWARDING COMPANY AND LINER COMPANY**

**IN AUSTRALIA- BUYER**

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

**KAMCO ALUMINIUM APOINT FORWARDER TO SHIP TO AUSTRALIA AND OTHER OVERSEA CONTRY.**

**1. FM GLOBAL LOGISTIC SDN BHD**

**2. PANDA LOGISTIC SDN BHD**

## FOR PUBLIC RECORD

### 3. SENTOSA FORWARDING & SHIPPING SDN BHD

- (ε) 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.

#### STEP

##### 1.ENQUIRY

##### 2.QUOTATION BASE ON QUANTITY ORDER BY CUSTOMER

##### 3.CUSTOMER ISSUED PURCHASE ORDER

##### 4. KAMCO WILL ISSUED INVOICE.

##### 5. PAYMENT RECEIVED

##### 6. ARRANGE FOR SHIPMENT

- (φ) 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).

#### NOT APPLICABLE

- (γ) Provide details of the forward orders of the goods under consideration (include quantities, values and scheduled shipping dates).

#### REFER TO SPREADSHEET

- 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.

**NO. OUR EXPORT SELING PRICE IS BASE ON RAW MATERIAL PRICE.**

- B-4** Prepare the information required in the table in the spreadsheet named "**B-4 Australian sales**".

List all shipments (i.e. transaction by transaction) to Australia of the goods under consideration in the investigation period. You must provide this list in electronic format. Include all information required in the format given.

FOB export price and Ocean Freight:

**FOR PUBLIC RECORD**

FOB export price: An FOB export price must be calculated for each shipment - regardless of the shipping terms. FOB price includes inland transportation to the port of exportation, inland insurance, handling, and loading charges. It excludes post exportation expenses such as ocean freight and insurance. Use a formula to show the method of the calculation on each line of the export sales spreadsheet.

Ocean freight: as ocean freight is a significant cost it is important that the actual amount of ocean freight incurred on each exportation be reported. If estimates must be made you must explain the reasons and set out the basis - estimates must reflect changes in freight rates over the investigation period.

Export related costs are further explained in section E-1.

**B-5** If there are any other costs, charges or expenses incurred in respect of the exports listed, which have not been identified in the table provided, then 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.

**WE ARE DIRECT SELLING TO AUSTRALIA.**

**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 and provide this calculation in a spreadsheet. If they vary by customer or level provide an explanation.

**NOT APPLICABLE**

**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** already been reported as a discount or rebate.

**NOT APPLICABLE**

**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	Amount of inland transportation expenses within Australia

**FOR PUBLIC RECORD**

transport	included in the selling price
Other costs	Customs brokers, port and other costs incurred (itemise)

NOT APPLICABLE

**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.

**SEE THE ATTACHMENT FILE B9**

**FOR PUBLIC RECORD**

**SECTION C  
EXPORTED GOODS AND 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.

THE GOODS WE ARE EXPORT TO AUSTRALIA IS SOLAR PANEL MAIN FRAME, LIGHTING CASING, HEATSINK AND CUSTOMER OWN DESIGN SHAPE EXTRUDED PROFILE.

- C-2** List each type of goods exported to Australia (these types should cover all types listed in spreadsheet “**B-4 Australian sales**” – see section B of this questionnaire).

REFER TO SPEADSHEET

- C-3** Prepare the information required in the table in the spreadsheet named “**C-3 like goods**”.

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

REFER TO SPEADSHEET

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

NOT APPLICABLE, WE ONLY PROVIDED EXTRUSION MATERIAL.



**FOR PUBLIC RECORD**

**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), 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.

**1. WITH IN KUALA LUMPUR AREA- OWN LORRY TRANSPORT**

**2. OTHER THEN KUALA LUMPUR AREA AND EAST MALAYSIA- APPOINT TRANSPORT COMPANY**

**3. EAST MALAYSIA- MARINE TRANSPORT**

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.

**NOT APPLICABLE**

**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.

**We do not have other distribution channel.**

## FOR PUBLIC RECORD

**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.

Step

1.enquiry

2.Quotation

3.purchase order from customer

4.proforma invoice issued by kamco aluminium sdn bhd

5.confirm order by customer

6.make payment and delivery.

Our selling price is setting is based on product weight.

**D-4** Prepare the information required in the table in the spreadsheet named "**D-4 domestic sales**".

List all domestic sales of like goods in that occurred in the investigation period. You must provide this list in electronic format. Include all information required in the format given.

Costs associated with domestic sales are explained in section E-2.

**REFER TO 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 provided, then add a column for each item (see "other factors"). For example, certain other selling expenses incurred.

**NOT APPLICABLE**

**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.

**FOR PUBLIC RECORD**

Not applicable

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** already been reported as a discount or rebate.

Not applicable

**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.

**REFER TO ATTACHMENT D7**

**FOR PUBLIC RECORD**

**SECTION E  
FAIR COMPARISON**

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

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

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

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

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

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

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

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

## E-1 Costs associated with export sales

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

### 1. Transportation

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

Ringgit Malaysia 342,767.00

### 2. Handling, loading and ancillary expenses

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

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

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

REFER TO SPREADSHEET

### 3. Credit

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

NOT APPLICABLE

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

NOT APPLICABLE

### 4. Packing costs

## FOR PUBLIC RECORD

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

-STAFF SALARY  
-TIMBER CREATE  
-PLASTIC WRAPING  
-FUMIGATION  
-IRON NAIL  
-PROTECTION MATERIAL  
PACKING COST CAN REFER TO SPREADSHEET

### 5. Commissions

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

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

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

NOT APPLICABLE

### 6. Warranties, guarantees, and after sales services

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

NOT APPLICABLE

### 7. Other factors

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

OUR SELING EXPENSES ONLY INCLUDING SALESMAN SALARY,  
ADVERTISING AND PROMOTION.

### 8. Currency conversions

## FOR PUBLIC RECORD

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

**WE SET THE CONVERSION RATE AGREED BY SELLER AND BUYER.**

### **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.

**NOT APPLICABLE**

#### **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.

## FOR PUBLIC RECORD

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;

**WE NO HAVE EXPORT TAX,REFER TO ANUUAL REPORT 2014 & 2015**

### 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.

**Not applicable**

### **3. Level of trade**

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

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

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



## FOR PUBLIC RECORD

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.

*Our company selling price is based on raw material price and other fixed costs. Beside that, the larges quantity will also the part we consider. Our domestic and oversea selling price is almost the same.*

#### 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

## FOR PUBLIC RECORD

- 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.

Not applicable

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.

Not applicable

Where there is no fixed credit period agreed at the time of sale the period of credit is determined on the facts available. For example, where payment is made using an open account system<sup>1</sup>, 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.

Not applicable

2. *Calculate the average credit period*

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

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

---

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

**FOR PUBLIC RECORD**

**Not applicable**

*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.

**The transportation cost for inland transport is based on the packing size. The expensed is under freight, transport and handling charges.**

**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.

**Not applicable**

**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**”.

**For the domestic packaging, we only using wrapping paper and pastic protection.**

**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.

**Not applicable**

**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.

## FOR PUBLIC RECORD

Not applicable

### 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;

not applicable

- *warehousing expense*: an expense incurred at the distribution point;

- not applicable

- *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*.

NOT APPLICABLE

### 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.

NOT APPLICABLE

**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** Prepare the information required in the table on the spreadsheet named "**F-1 third country**". Provide the information in the format given.

**REFER TO SPREADSHEET**

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

**NOT APPLICABLE**

## **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**

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

**Refer to attachment flow chat**

## G-2. Production capacity

Prepare the information required in the table in the spreadsheet named "G-2 production".

The table requires information concerning your company's total production

[Refer to spreadsheet](#)

## 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.

OUR COMPANY IS USING SQL ACCOUNTING SOFTWARE TO MANAGE COMPANY ACCOUNTING.

- 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.

ALL OF OUR STANDARD PRODUCTION HAS A PRICE LIST. HOWEVER, WE ARE ALSO PROVIDE QUOTAION TO CUSTOMER BASED ON THEIR ENQUIRY. PRICE QUOTE VARIANCES DEPEND ON THE LME VARIATION.FOR THE PAST 3 YEARS, OUR PRICE VARIANCE IN THE RANGE PLUS MINES 5 PER CENT.

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

THE VARIANCES COST WILL BE BASED ON THE FOLLOWING FACT

-ALUMINIUM BILLET PRICE  
-LABOUR COST  
-OPERATION COST  
-AFTER OPERATION COST  
-PACKAGING COST  
-WASTAGE  
-SCRAP

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

NO APPLICABLE

- 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.

-ALUMINIUM BILLET PRICE  
-LABOUR COST  
-OPERATION COST

## FOR PUBLIC RECORD

-AFTER OPERATION COST  
-PACKAGING COST  
-WASTAGE  
-SCRAP

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

### SQL SOFTWARE

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

-ALUMINIUM BILLET PRICE  
-LABOUR COST  
-OPERATION COST  
-AFTER OPERATION COST  
-PACKAGING COST  
-WASTAGE  
-SCRAP

- 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.

NOT APPLICABLE

- 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.

NOT APPLICABLE

## 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.<sup>2</sup>*

1. Prepare the information required in the table in the spreadsheet named "**G-4 domestic CTMS**".

Provide the actual unit cost to make and sell each model/type (identified in section C) of the like goods sold on the domestic market. Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.

2. Indicate the source of cost information (account numbers etc) and/or methods used to allocate cost to the goods. Provide the relevant documentation and the calculations supporting your methods.

REFER TO SPREADSHEET

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<sup>2</sup> 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.



## **FOR PUBLIC RECORD**

### **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.*

1. Prepare the information required in the table in the spreadsheet named "**G-5 Australian CTMS**".

Provide the actual unit cost to make and sell 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.

#### **REFER SPREADSHEET**

2. Where there are cost differences between goods sold to the domestic market and those sold for export, give reasons and supporting evidence for these differences.

#### **THEY ARE NOT DIFFERENT WITH DOMESTIC MARKET AND EXPORT.**

3. Give details and an explanation of any significant differences between the costs shown, and the costs as normally determined in accordance with your general accounting system. Reference should be made to any differences arising from movements in inventory levels and variances arising under standard costing methods.
4. In calculating the unit cost to make and sell, provide an explanation if the allocation method used (eg number, or weight etc) to determine the unit cost differs from the prior practice of your company.

#### **REFER TO SPREADSHEET**

### **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).

## FOR PUBLIC RECORD

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.**

**OUR RAW MATERIAL COST IS BASED ON LME PRICE AND EXCHANGE CURRENCY FROM MRY TO USD.**

## **SECTION H SUBSIDISATION**

*The applicant alleges that producers of aluminium extrusions in Malaysia have benefited from a number of subsidies, and that these subsidies are countervailable.*

### **INVESTIGATED PROGRAMS**

The following are programs that the Commission is currently investigating:

<b>Program number</b>	<b>Program name</b>	<b>Program type</b>
1	Income Tax Reductions	Tax
2	Investment Tax Allowance	Tax

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

#### **H-1 Programs 1 and 2: Income Tax Reductions and Investment Tax Allowance**

1. Did your business or any company/entity related to your business receive any benefit<sup>3</sup> under the above tax program during the investigation period **1 July 2015 to 30 June 2016**?

**NO.**

2. It is the Commission's understanding that the general tax rate for enterprises in Malaysia during the investigation period was 22 per cent. Confirm whether this is correct and if not, please identify the general tax rate for enterprises in Malaysia during the investigation period.

**NO. IS 20 PER CENT**

3. Provide a copy, bearing the official stamp of the appropriate level of the government, of all corporate income tax acknowledgement form(s) and the income tax return(s) that your company filed for the last three completed financial years.

**PLS FIND THE ATTACHMENT FILE FOR INCOME TAX RETURN  
LHDN2013/2014/2015**

**Note:** *If your company did not file an income tax return in the last three financial years, provide an explanation stating the reasons why you were exempt from filing such a return and the applicable section[s] of the relevant law under which you were exempt from doing so.*

<sup>3</sup> Refer to the Glossary of Terms for a definition of benefit in this context.

**FOR PUBLIC RECORD**

4. If your business currently pays corporate income tax at a rate less than 22 per cent (or whatever the rate of general tax is as required above), or paid at a rate less than that during the investigation period, please indicate whether the reduced rate relates to any of the tax programs identified above.

**NOT APPLICABLE**

5. 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 all the questions in this part in relation to the income tax rate reduction.

**NOT APPLICABLE**

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

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

**NOT APPLICABLE**

7. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production or only certain products).

**NOT APPLICABLE**

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

**NOT APPLICABLE**

9. 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 in relation to the program.

**NOT APPLICABLE**

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

**NOT APPLICABLE**

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

**NOT APPLICABLE**

12. State whether your eligibility for the program was conditional on one or more of the following criteria:
- whether or not your business exports or has increased its exports;

## FOR PUBLIC RECORD

- the use of domestic rather than imported inputs;
- the industry to which your business belongs; or
- the region in which your business is located.

NOT APPLICABLE

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

NOT APPLICABLE

14. 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.

NOT APPLICABLE

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

NOT APPLICABLE

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

NOT APPLICABLE

17. 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?

NOT APPLICABLE

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

NOT APPLICABLE

18. For each of your last three completed taxation years, complete the table as described below.

Prepare the information required in the table in the spreadsheet named "income tax".

REFER TO SPREADSHEET

## H-2 Any other programs

## FOR PUBLIC RECORD

If the government, any of its agencies or any other public body or authorised body has provided any other benefit<sup>4</sup> 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, transport, etc ));
- the reduction of tax payable including income tax and VAT;
- reduction in land use fees;
- loans at below-market interest rates; or
- any other form of assistance or benefit.

**NOT APPLICABLE**

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

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).

**NOT APPLICABLE**

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

**NOT APPLICABLE**

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 in relation to the program.

**NOT APPLICABLE**

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

**NOT APPLICABLE**

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

**NOT APPLICABLE**

6. State whether your eligibility for the program was conditional on one or more of the following criteria:

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<sup>4</sup> Refer to the Glossary of Terms for a definition of benefit in this context.

## FOR PUBLIC RECORD

- whether or not your business exports or has increased its exports;
- the use of domestic rather than imported inputs;
- the industry to which your business belongs; or
- the region in which your business is located.

NOT APPLICABLE

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.

NOT APPLICABLE

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.

NOT APPLICABLE

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

NOT APPLICABLE

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

NOT APPLICABLE

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 this part in relation to this programme.

NOT APPLICABLE

**SECTION I  
EXPORTER'S DECLARATION**

- I hereby declare that.....KAMCO ALUMINIUM SDN BHD.....(company) did, during the period of investigation export the goods under consideration and have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.
  
- I hereby declare that.....KAMCO ALUMINIUM SDN BHD.....(company) did not, during the period of investigation, export the goods under consideration and therefore have not completed the attached questionnaire.

**Name** :.....**LIM TZE CHAO**.....

**Signature** :.....

**Position in**

**Company** :.....**DIRECTOR**.....

**Date** :.....**22/9/2016**.....

**REFER TO EMAIL ATTACHMENT FOR THE SIGNATURE**



**FOR PUBLIC RECORD**

**SECTION J  
CHECKLIST**

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

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

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

## APPENDIX

# GLOSSARY OF TERMS

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

### Adjustments

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

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

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

### Arms length

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

### Benefit

As further defined in relation to the definition of the term 'subsidy' below, 'benefit' may include:

- a direct transfer of funds;
- the acceptance of liabilities (e.g debts or other liabilities), whether actual or potential, of your enterprise;
- the forgoing, or non-collection, of revenue (other than an allowable exemption or remission) that was otherwise due (e.g. reduced rate of income tax, waiving certain other taxes);
- the provision of goods or services otherwise than in the course of providing normal infrastructure; or
- the purchase of goods

by the government (at any level), a public body of the government, or a private body entrusted by the government to carry out government functions.

## **Constructed value**

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

## **Cost of production/manufacturing**

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

## **Cost to make and sell**

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

## **Country of origin**

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

## **Date of sale**

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

## **Direct labour cost**

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

## **Dumping**

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

## **Dumping margin**

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

## **Export price**

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

## **Exporting country**

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

## **Factory overheads**

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

## Goods under consideration (the goods)

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

## Incoterms

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

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

## **Investigation period**

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

## **Like goods**

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

## **Normal value**

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

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

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

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

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

## **Ordinary course of trade**

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

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

## FOR PUBLIC RECORD

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

### **Selling, general and administration expenses (SG&A)**

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

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

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

### **Subsidy**

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

- a. a financial contribution:
  - i. by a government of the country or export or country of origin of those goods; or
  - ii. by a public body of that country or of which government is a member; or
  - iii. by a private body entrusted or directed by that government or public body to carry out a governmental function;
  - iv. that is made in connection with the production, manufacture or export of those goods and that involves:
    - v. a direct transfer of funds from that government or body to the enterprise by whom the goods are produced, manufactured or exported; or
    - vi. a direct transfer of funds from that government or body to that enterprise contingent upon particular circumstances occurring; or
    - vii. the acceptance of liabilities, whether actual or potential, of that enterprise by that government body; or

**FOR PUBLIC RECORD**

- ⌘ιιι. the forgoing, or non-collection, of revenue (other than an allowable exemption or remission) due to that government or body by that enterprise; or
- ιξ. the provision by that government or body of goods or services to that enterprise otherwise than in the course of providing normal infrastructure; or
- ξ. the purchase by that government or body of goods provided by that enterprise; or
- b. any form of income or price support as referred to in Article XVI of the General Agreement Tariffs and Trade 1994, that is received from such a government or body;

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