



Australian Government

Australian Customs and  
Border Protection Service

PUBLIC  
FILE 268

## Trade Measures Branch

### Exporter Questionnaire

**Product:** Aluminium Road Wheels (ARW's)

**From:** The People's Republic of China (China).

**Period of Investigation:** 1 July 2010 to 30 June 2011

**Response due by:** 23 December 2011

**Investigation case manager:** David Turner

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[www.customs.gov.au](http://www.customs.gov.au)

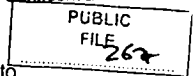
**Return completed  
questionnaire to:**

International Trade Remedies  
Branch  
Australian Customs and Border  
Protection Service  
5 Constitution Avenue  
Canberra ACT 2601  
AUSTRALIA

Attention: Director Operations 2

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

## GOODS UNDER CONSIDERATION



The goods under consideration (the goods) i.e. the goods exported to Australia, allegedly at dumped prices and in receipt of subsidies, are:

aluminium road wheels for passenger motor vehicles, including wheels used for caravans and trailers, in diameters ranging from 13 inches to 22 inches.

For clarification, the goods include finished or semi-finished ARWs whether unpainted, painted, chrome plated, forged or with tyres and exclude aluminium wheels for go-carts and All-Terrain Vehicles.

## 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:** ZheJiang YueLing Co., Ltd.

Name: **Mr. LU Yuesong**  
Position: **Financial Manager**  
Address: **Xiandai Avenue North, Zeguo, Wenling, Zhejiang Province, P.R.China**  
Telephone: **(+86) 576-86444791**  
Facsimile: **(+86) 576-86444791**  
E-mail address: **lucpa@sina.com**

**Factory:** The same location as of the Head office.

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

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

Name: **Mr. PU Lingchen, Mr. LIU Jianwei**  
Organisation: **Zhong Lun Law Firm**  
Position: **Partner Lawyer**  
Address: **36-37/F, SK Tower, 6A Jianguomenwai Avenue, Chaoyang District, Beijing 100022, P.R.China**  
Telephone: **86-10-59572288**  
Facsimile: **86-10-65681838**  
E-mail address of contact person: **pulingchen@zhonglun.com;**  
**liujianwei@zhonglun.com;**

*Note that in nominating a representative, Customs and Border Protection will assume that confidential material relating to your company in this investigation may be freely released to, or discussed with, that representative.*

### A-3 Company information

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

**Answer:**

The legal name of the company is ZheJiang YueLing Co., Ltd. ("Yueling"). It was incorporated in China as limited liability Company. There is no any other business name.

Yueling was established on [Confidential]. Yueling's shareholders included 29 natural persons [Confidential] and 3 investment companies [Confidential]. The majority of shareholders are from one local family, which makes Yueling basically a family company.

*[Date of establishment and Shareholding information removed]*

The three investment companies' shareholding information is explained as follows.

[Confidential]	Shareholding
Hangzhou Lianchuang Yongyi Chuangye Investment Partnership.	[Confidential]
Beijing Zhongrun Hongli Chuangye Investment Co., Ltd.	[Confidential]
Zhejiang Zheshang Chuangye Investment Management Co., Ltd.	[Confidential]
<b>Total</b>	[Confidential]

*[Shareholding's information blocked]*

On [Confidential], Yueling established a subsidiary named Zhejiang Yueling Imp&Exp Co., Ltd. ("Yueling Imp&Exp"). Yueling Imp&Exp is [Confidential]% owned by Yueling. However, Yueling Imp&Exp only purchased like goods from Yueling on [Confidential] and exported to [Confidential]. It is not involved either in the production or in the sales of the subject goods to Australia.

*[Date of establishment, Percentage of shareholding, Date of sales and Country of export removed]*

*The Date of establishment, Shareholding, Date of sales and Country of export were provided to the Service in confidence, because some detailed information is stated therein, disclosure of which could damage the interests of the investors.*

Please refer to **Exhibit A-3.1** for the business licenses of Yueling and its related company.

*The business licenses were provided to the Service in confidence, because some detailed information is stated therein, disclosure of which could damage the interests of the investors.*

The functions of Yueling and its related companies are as follows:

Company	Function
ZheJiang YueLing Co., Ltd. ("Yueling")	Exporting Producer of GUC (involved in domestic sales and export sales)
ZheJiang YueLing Imp&Exp Co., Ltd. ("Yueling Imp&Exp")	Not involved in production or sales of GUC to Australia and like goods to domestic market.

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

**Answer:**

Please refer to the following table for the details of Yueling's shareholders.

Name of Shareholders	Shareholding percentage
Lin Xianming	[Confidential]
Zhong Xiaotou	[Confidential]
Lin Wanqing	[Confidential]
Lin Xinfu	[Confidential]
Lin Shenmao	[Confidential]
Lin Ping	[Confidential]
Lin Bin	[Confidential]
Other 22 natural persons	[Confidential]
3 investment companies	[Confidential]
<b>Total</b>	<b>100%</b>

*[Shareholding percentage of the company blocked]*

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

**Answer:**

**Yueling's shareholders included [Confidential]. The question is not applicable.**

*[Shareholders' information removed]*

*The Shareholder's information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

**Answer:**

**See answer above. Not applicable.**

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

**Answer:**

Please refer to **Exhibit A-3.5** for the corporate structure.

*The world-wide corporate structure chart was provided to the Service in confidence, because some detailed private ownership is stated therein, disclosure of which could damage the interests of the investors.*

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

**Answer:**

Not Applicable. Since there's no parent company and the subsidiary company, it has no such arrangement with Yueling.

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

**Answer:**

Yueling is a producer of GUC/like goods and it sales the goods in both domestic and export markets.

8. If your business does not perform all of the following functions in relation to the goods under consideration, then please provide names and addresses of the companies which perform each function:
- produce or manufacture
  - sell in the domestic market
  - export to Australia, and
  - export to countries other than Australia.

**Answer:**

Yueling performs the all four functions, i.e. produce or manufacture, sell in the domestic market, export to Australia and export to countries other than Australia.

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

**Answer:**

Please refer to **Exhibit A-3.9** for the internal organisation chart. The function of each department can be inferred from each department's name.

*The internal organisation chart was provided to the Service in confidence, because some detailed internal management information is stated therein, disclosure of which could bring the Company less competitiveness in the market.*

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

**Answer:**

There is no annual report published by YueLing. Please refer to **Exhibit A-3.11** for the brochure of YueLing.

11. Provide a list of your business' Board of Directors, Managing Director (or CEO) and Senior Executives.

**Answer:**

Please refer to below table for the list of senior management.

Name of Senior Management	Current Position
[Confidential]	[Confidential]
[Confidential]	[Confidential]
[Confidential]	[Confidential]
[Confidential]	[Confidential]
[Confidential]	[Confidential]
[Confidential]	[Confidential]
[Confidential]	[Confidential]
[Confidential]	[Confidential]
[Confidential]	[Confidential]

*[Name of senior management and Current position blocked]*

*The senior management information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

12. Are any of your company's operations in a Special Economic Area, Economic and Technical Development Zone, Bonded Zone, Export Processing Zone, High Technology Industrial Development Zone, the Western Regions, or any other similarly designated area?

**Answer:**

YueLing is located in Xiandai Avenue North, Zeguo, Wenling, Zhejiang Province, P.R.China, which is not in any zone/area listed above.

13. If your answer to question A-3.12 above is 'yes':
- advise if any benefits (e.g. grants, reduced liabilities on commercial interest rates, etc) from the GOC (including central, provincial, municipal, county or any other level of government) accrue to your company because of being located in such an area;

- please explain the nature of the operations, identify the specific zone(s) [or other area(s)] and provide a brief overview of all of the benefits of operating within the specified zone(s) or area(s).

**Answer:**

Yueling has received limited amount benefits from the GOC. Please refer to the detailed responses in "Section I countervailing".

14. Provide details of all transactions between your company and all related parties. For example:

- Supplying/selling completed or partially completed products.
- Supplying/selling raw materials.
- Performing management functions (including any financial functions).
- Processing (including toll processing) of any raw materials, intermediary or completed products.
- Trading in products/materials supplied by related parties.

**Answer:**

There's no transaction indicated above made with related party of Yueling except for that only trading/sales activity made by Yueling Imp&Exp in [Confidential] for exporting like goods to [Confidential].

*[Date of sales and Country of export removed]*

*The information of Date of sales and Country of export are not susceptible to a meaningful non-confidential summary as they are commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

**A-4 General accounting/administration information**

1. Indicate your accounting period.

**Answer:**

The accounting period is from January 1 to December 31.

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

**Answer:**

The financial records are kept in the company's office located on Xiandai Avenue North, Zeguo, Wenling, Zhejiang Province, P.R.China.



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

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

These documents should relate to:

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

**Answer:**

Please refer to Exhibit A-4.3.1 for the Chart of Accounts, Exhibit A-4.3.2 for the audit report of Yueling for year 2009, Exhibit A-4.3.3 for the audit report of Yueling for year 2010, Exhibit A-4.3.4 for the income statement of Yueling from January 2011 to October 2011 and Exhibit A-4.3.5 for the balance sheet of Yueling January 2011 to October 2011.

There were no internal financial statements or reports maintained for goods under investigation.

*The financial information above is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

**Answer:**

The accounts have been audited, so this question is not applicable.

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

**Answer:**

The Yueling's accounts are consistent with GAAP of China.

6. Describe:

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

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

**Answer:**

Purchase costs of raw materials are valued according to actual acquisition costs. The issuance and inventory of raw materials and finished goods are valued by weighted average method. The value of work-in-process is allocated from the total cost of manufacture incurred for finished goods and work-in-process.

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

**Answer:**

Yueling applies processing cost method and allocates cost among products by piece together with unit partition indexes which reflect their cost differences for each type of finish/model of the final product.

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

**Answer:**

The damaged or sub-standard goods were recycled into the production of subject goods.

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

**Answer:**

The mainly scrap is aluminium powder. It were recycled into the production of subject goods or sold as scrap which recorded into the other operation revenue ledger. The valuation of these scraps is based on actual revenue in selling these goods.

- valuation and revaluation methods for fixed assets;

**Answer:**

Fixed assets are valued according to the actual acquisition cost. Depreciation method is straight-line according to estimated useful life of each asset. There was no revaluation for the fixed assets.

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

**Answer:**

The depreciation method is straight line method.

Type of assets	Average Useful Life (years)	Residual Rate	Yearly Depreciation Rate
Housing and Building	20-30	5%	3.17%-4.75%
Machine and Equipment	10	5%	9.50%
Transportation Equipment	4-10	5%	9.50%-23.75%
Office Equipments	3-5	5%	19.00%-31.67%
Testing Equipment	5-10	5%	9.50%-19.00%
Other Equipments	10	5%	9.50%

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

**Answer:**

The foreign exchange gains and losses resulting from foreign currency transaction are booked in general ledger as financial expenses/earnings.

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

**Answer:**

The year-end asset and liability balance which express as foreign currency are converted into RMB YUAN according to the month-end exchange rate.

- inclusion of general expenses and/or interest;

**Answer:**

The general expenses are recorded in the general ledger of Administrative Expenses. The interest is normally recognized as Financial Expenses and maybe capitalized if it is incurred for the construction of fixed assets.

- provisions for bad or doubtful debts;

**Answer:**

The bad debt was recognized when it actually incurred and recorded in the financial statements.

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

**Answer:**

There was no such expense incurred, this question is not applicable.

- costs of plant closure;

**Answer:**

There was no such expense incurred, this question is not applicable.

- restructuring costs;

**Answer:**

There was no such expense incurred, this question is not applicable.

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

**Answer:**

The mainly scrap is aluminium powder. It were recycled into the production of subject goods and sold as scrap which recorded into the other operation revenue ledger. The valuation of these scraps is based on actual revenue in selling these goods.

- effects of inflation on financial statement information.

**Answer:**

There was no inflation reflected in financial statement, this question is not applicable.

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

**Answer:**

There was no change of accounting methods by the company over the last two years.

## **A-5 Income statement**

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

	Most recent completed financial year (specify)		Investigation period	
	All products	Goods Under Consideration	All products	Goods Under Consideration
Gross Sales (1)				
Sales returns, rebates and discounts (2)				
Net Sales (3=1-2)				
Raw materials (4)				

Direct Labour (5)				
Depreciation (6)				
Manufacturing overheads (7)				
Other operating expenses (8)				
Total cost to make (9=4+5+6+7+8)				
OPERATING INCOME (10=3-9)				
Selling expenses (11)				
Administrative & general expenses (12)				
Financial expenses (13)				
SG&A expenses (14)=(11+12+13)				
INCOME FROM NORMAL ACTIVITIES (15)=(10-14)				
Interest income (16)				
Interest expense (enter as negative) (17)				
Extraordinary gains and Losses – enter losses as negative (18)				
Abnormal gains and losses – enter losses as negative (19)				
PROFIT BEFORE TAX (20)=(15+16+17+18+19)				
Tax (21)				
NET PROFIT (22)=(20-21)				

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

Prepare this information on a spreadsheet named "**Income statement**".

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

**Answer:**

Please refer to **Exhibit A-5** for the Income Statement.

*This confidential information is provided to the Service for investigation. Since such data is classified as highly sensitive commercial information.*

For purpose of this table, YueLing can only split the figures of GUC/like goods from all products against the ratio of the sales revenue of GUC/like goods account for in all products' revenue.

## A-6 Sales

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, in the following format:

	Most recent completed financial year (specify)		Investigation period	
	Volume	Value	Volume	Value
Total company turnover (all products)				
Domestic market				
Exports to Australia				
Exports to Other Countries				
Turnover of the nearest business unit, for which financial statements are prepared, which includes the goods under consideration				
Domestic market				
Exports to Australia				
Exports to Other Countries				
Turnover of the goods under consideration				
Domestic market				
Exports to Australia				
Exports to Other Countries				

Prepare this information in a spreadsheet named "TURNOVER".

*This information will be used to verify the cost allocations to the goods under consideration in Section G.*

*Also, you should be prepared to demonstrate that sales data shown for the goods is a complete record by linking total sales of these goods to relevant financial statements.*

### Answer:

**Please refer to Exhibit A-6, Turnover for the required information. For reconciliation with audited report, the turnover of wheel fittings has been added for calculation.**

*This confidential information is provided to the Service for investigation. Since such data is classified as highly sensitive commercial information, please refer to a summary of the information in an indexed form.*

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

**Answer:**

Please refer to **Exhibit B-1** for Australia Customer Information.

*The Australia customer information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

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

**Answer:**

Please refer to **Exhibit B-2.a** for the illustration of the Export Sales Channel. During the IP, there was only [Confidential] Australian customer, i.e. [Confidential] which is [Confidential] on this market.

*[Numbers and names of Australian customers]*



*The above-referred information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

**Answer:**

**Yueling is the only party which involved in the export sales to Australia. Yueling is a manufacturer of the GUC/like goods, it exports exports GUC to Australia and other foreign countries.**

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

**Answer:**

**The GUC exported to Australia during the IP were [Confidential]. [Confidential]**

*[Delivery term and explanation of ownership of the goods during the distribution removed]*

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

**Answer:**

**There is no agency agreement or distributor agreement or other contracts. The question is not applicable.**

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

**Answer:**

Usually, sales departments of Yueling initiate contacts with potential Australian customers.

Potential customers send a request to Yueling which usually include a product drawing and specifications; Yueling would make assessments on the possibility of making the required products.

Yueling issues a proforma invoice to customer for confirmation. Technical terms, negotiation on prices and quantities would be agreed between Yueling and Australian customers. Price negotiation and price quotations shall take into account current raw material price, conversion cost and estimated delivery expenses. Since the raw material price changes from time to time, the prices of subject goods fluctuate accordingly. Therefore Yueling does not keep an [Confidential]. When all terms set, Yueling begins its production for export.

When production being completed and prior to delivery, all the documents necessary for exports are prepared by Yueling. Finally, Australian customer paid the amount of goods to Yueling.

*[Documents of sales removed]*

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

**Answer:**

The [Confidential] Australian customer, [Confidential] not related to Yueling.

*[Name of Australian customer removed]*

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

**Answer:**

Not Applicable, since on such document was used.

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

**Answer:**

[Confidential]

*[Explanation of export selling prices in the distribution channel removed]*

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

Column heading	Explanation
Customer name	names of your customers
Level of trade	the level of trade of your customers in Australia
Model/grade/type	commercial model/grade or type
Product code	code used in your records for the model/grade/type identified. Explain the product codes in your submission.
Invoice number	invoice number
Invoice date	invoice date
Date of sale	refer to the explanation at the beginning of this section. If you consider that a date <i>other than</i> the invoice date best establishes the material terms of sale, report that date. For example, order confirmation, contract, or purchase order date.
Order number	if applicable, show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Shipping terms	Delivery terms eg. CIF, C&F, FOB, DDP (in accordance with Incoterms)
Payment terms	agreed payment terms eg. 60 days=60 etc
Quantity	Quantity in units shown on the invoice. Show basis eg kg.
Gross invoice value	gross invoice value shown on invoice <i>in the currency of sale, excluding taxes.</i>
Discounts on the invoice	if applicable, the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide a description.
Invoice currency	the currency used on the invoice
Exchange rate	Indicate the exchange rate used to convert the currency of the sale to the currency used in your accounting system
Net invoice value in the currency of the exporting country	the net invoice value expressed in your domestic currency as it is entered in your accounting system
Rebates or other allowances	the amount of any deferred rebates or allowances paid to the importer in the currency of sale
Quantity discounts	the actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.

Ocean freight**	the actual amount of ocean freight incurred on each export shipment listed.
Marine insurance	Amount of marine insurance
FOB export price**	the free on board price at the port of shipment.
Packing*	Packing expenses
Inland transportation costs*	inland transportation costs included in the selling price. For export sales this is the inland freight from factory to port in the country of export.
Handling, loading & ancillary expenses*	handling, loading & ancillary expenses. For example, terminal handling, export inspection, wharfage & other port charges, container tax, document fees & customs brokers fees, clearance fees, bank charges, letter of credit fees, & other ancillary charges incurred in the exporting country.
Warranty & guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services, such as technical assistance or installation costs.
Commissions*	Commissions paid. If more than one type is paid insert additional columns of data. Indicate in your response to question B2 whether the commission is a pre or post exportation expense having regard to the date of sale.
Other factors*	<b>any other</b> costs, charges or expenses incurred in relation to the exports to Australia (include additional columns as required). See question B5.

\*\* FOB export price and Ocean Freight:

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

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

Freight allocations must be checked for consistency.

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

**Answer:**

Please refer to **Exhibit B-4** for the Australian sales.

*The above-referred information of Australian sales is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

**Answer:**

**Please refer to Exhibit B-4 for the Australian sales. In column [Allocation of Other costs], the bank transferring expenses have been reported and allocated by the ratio of total value of each bank payment.**

*The above information of expenses is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

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

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

**Answer:**

**There was no discount, rebate or allowance offered on export sales to Australia, so this question is 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** been reported as a discount or rebate.

**Answer:**

**There was no credit note on export sales to Australia during the IP, so this question is 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 transport	Amount of inland transportation expenses within Australia included in the selling price
Other costs	Customs brokers, port and other costs incurred (itemise)

**Answer**

**[Confidential]**

*[Explanation of delivery terms between Yueling and its Australian customer removed]*

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

**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.

Customs and Border Protection will select additional shipments for payment verification at the time of the visit.

**Answer**

Please refer to Exhibit B-9.1/2 for requested documents for two shipments.

*The above information of sales documents is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

## SECTION C EXPORTED GOODS & LIKE GOODS

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

**Answer**

Yueling exported both GUC and non-GUC to Australia.

The GUC that Yueling exported to Australia during the IP is Painting wheel products only. Additionally, the Non-GUC that Yueling sold to Australia during the IP is Motorcycle wheel products.

Generally speaking, the GUC that Yueling manufactured and exported to Australia during the POI are Painted Wheels. Similarly, the like goods that Yueling produced and sold in the POI are contained as follows.

**Painted Wheels**

Wheels with electroplate Chrome finishing (Chrome Wheels)

Wheels with vacuum electroplating finishing

Wheels with vacuum electroplating finishing (Black)

Polished Wheels

The non-GUC/like goods that Yueling produced and sold are Motorcycle wheel products. For detailed information of these products, please kindly refer to Exhibit A-3.11, Yueling's Brochure.

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

**Answer**

Please refer to Exhibit C-2 for the list of all models exported to Australia.

*The above-referred information of models is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

- C-3** 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.

EXPORTED TYPE	DOMESTIC TYPE	IDENTICAL?	DIFFERENCES
Product code of each model of the goods exported to Australia	Product code of comparable model sold on the domestic market of the country of export	If goods are identical indicate "YES". Otherwise "NO"	Where the good exported to Australia is not identical to the like goods, describe the specification differences. If it is impractical to detail specification differences in this table refer to documents which outline differences

**Answer**

Please refer to **Exhibit C-3, Like goods.**

*The above-referred information of like goods is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

**Answer**

Please refer to Exhibit A-3.11 for YueLing's Brochure.

1. Painted Wheel products are ARWs with painting on the surface.
2. Chrome Wheel is the ARWs that it has been electroplated chrome on the surface of the wheel. Chrome is a kind of heavy metals chemical element.
3. Wheels with vacuum electroplating finishing do not have any chrome element on the surface of the wheel. It has been electroplated in a vacuum environment with some chemicals. The effect of which is similar to the chrome finishing.
4. Wheels with vacuum electroplating finishing (Black) is similar to Wheels with vacuum electroplating finishing as above, the products have been electroplated in vacuum environment with some chemicals and the final effect of product is in black.
5. Polished Wheel is a wheel with polishing on the surface.



## 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 Customs and Border Protection requirements. If agreement cannot be reached as to the appropriate method Customs and Border Protection may not visit your company.*

*Customs and Border Protection will normally take the invoice date as being the date of sale in order to determine which sales fall within the investigation period.*

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

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

*If you do not have any domestic sales of like goods you must contact the case officer who will explain the information Customs and Border Protection requires for determining a normal value using alternative methods.*

#### D-1 Provide:

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

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

#### Answer

**All domestic sales of the like goods are made by Yueling and there are distribution channels, i.e. Yueling directly sells the like goods to independent customers who are resellers for domestic use and Yueling sells the like goods to independent exporting traders for exporting like goods to foreign market. The flow chart for movement of the like goods is as following:**



**In the domestic sales, Yueling is both producer and seller. In most circumstances, Yueling delivers the goods to customers but in other circumstances the buyers chosen to pick up goods in Yueling's location.**

**There was no agency or distributor agreement.**

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

**Answer**

**The prices are influences by many factors. However, the domestic selling prices do not vary by the distribution channel. Yueling has only one distribution channel-Yueling sold the like goods to independent customers in domestic market only during the POI.**

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

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

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

**Answer**

**Price negotiation and price quotations usually shall take into account current raw material price, sales terms, product specification, delivery conditions and etc. Since the raw material price changes from time to time, the prices of subject goods fluctuate accordingly. Therefore Yueling does not keep [Confidential]. The delivery terms varies for different customers.**

*[Documents of sales during the transaction removed]*

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

- D-4** Prepare a spreadsheet named "**domestic sales**" listing **all** sales of like goods made during the investigation period. The listing must be provided on a CD-ROM. Include all of the following information.

Column heading	Explanation
Customer name	names of your customers. If an English version of the name is not easily produced from your automated systems show a customer code number and in a separate table list each code and name.
Level of trade	the level of trade of your domestic customer
Model/grade/type	commercial model/grade or type of the goods
Product code	code used in your records for the model/grade/type of the goods identified. Explain the product codes in your submission.
Invoice number	invoice number
Invoice date	invoice date
Date of sale	refer to the explanation at the beginning of this section. If you consider that a date <i>other than</i> the invoice date best establishes the material terms of sale and should be used, report that date. For example, order confirmation, contract, or purchase order date.
Order number	show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Delivery terms	eg ex factory, free on truck, delivered into store
Payment terms	payment terms agreed with the customer eg. 60 days=60 etc
Quantity	quantity in units shown on the invoice eg kg.
Gross Invoice value	gross value shown on invoice <i>in the currency of sale</i> , net of taxes.
Discounts on the Invoice	the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide description.
Net invoice value in the currency of the exporting country	the net invoice value expressed in your domestic currency as recorded in your accounting system
Rebates or other Allowances	the actual amount of any deferred rebates or allowances in the currency of sale
Quantity discounts	the actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.
Packing*	packing expenses
Inland transportation Costs*	amount of inland transportation costs included in the selling price.
Handling, loading And ancillary Expenses*	handling, loading & ancillary expenses.
Warranty & Guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services such as technical assistance or installation costs.
Commissions*	commissions paid. If more than one type is paid insert additional columns of data.
Other factors*	<b>any other</b> costs, charges or expenses incurred in relation to the domestic sales (include additional columns as required). See question D5.

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

**Answer:**

Please refer to **Exhibit D-4** for the Domestic sales.

In Exhibit D-4, Yueling only reported the domestic sales of like goods for domestic consumption. For other sales, Yueling believed that those goods have been resold to foreign countries.

*The above-referred information of domestic sales is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

**Answer:**

There is no other cost, charges or expenses which have not been identified in the table.

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

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

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

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

**Answer:**

There was no commission for domestic sales. The question is 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.)

Customs and Border Protection will select additional sales for verification at the time of our visit.

**Answer:**

Please refer to Exhibit D-7.1/2 for the documents relating to the two domestic sales.

Zhejiang YueLing Co., Ltd.

Non Confidential

*The above-referred information of sales documents is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

## 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. Customs and Border Protection 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 Customs and Border Protection may disallow the adjustment.*

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

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

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

## E-1 Costs associated with export sales

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

### 1. Transportation

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

#### Answer:

For export sales, the inland transportation cost is allocated by the weight of the each product which we have reported in the Exhibit D-4. The amount of inland transportation expenses is based on the transportation invoice. The expenses have been booked in the selling expenses ledger.

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

### 2. Handling, loading and ancillary expenses

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

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

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

#### Answer:

Please see Exhibit B-4 for detailed information.

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

### 3. Credit

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

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

**Answer:**

Not applicable.

**4. Packing costs**

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

**Answer:**

The packing methods and packing materials are not really different for export or domestic sales so we do not claim the adjustment of the packing costs for both export and domestic sales.

**5. Commissions**

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

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

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

**Answer:**

For export sales, the commission is reported in Exhibit D-4. The commission is agreed by YueLing and Australian customer as [Confidential] USD per piece of products.

*[Amount of value removed]*

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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



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

**Answer:**

**There is no such expenses occurred, this question is 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.

**Answer:**

**We do not claim other allowances.**

**8. Currency conversions**

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

**Answer:**

**We do not claim such allowances.**

**E-2 Costs associated with domestic sales**

(These cost adjustments will relate to your responses made at question D-4, "**domestic sales**")

*The following items are not separately identified in the amounts quantified at question D-4. However you should consider whether any are applicable.*

**1. Physical characteristics**

The adjustment recognises that differences such as quality, chemical composition, structure or design, mean that goods are not identical and the differences can be quantified in order to ensure fair comparison.

The amount of the adjustment shall be based upon the market value of the difference, but where this is not possible the adjustment shall be based upon the difference in cost plus the gross profit mark-up (i.e. an amount for selling general and administrative costs (S G & A) plus profit).

The adjustment is based upon actual physical differences in the goods being compared and upon the manufacturing cost data. Identify the physical differences between each model. State the source of your data.

**Answer:**

**The physical characteristics for export goods and domestic sale goods are basically the same.**

**2. Import charges and indirect taxes**

If exports to Australia:

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

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

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

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

In substantiating the drawback claim the following information is required:

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

Substitution drawback systems

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

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

Answer:

**Both export sales table and domestic sales table reflect the net of tax price. YueLing did not use any imported materials.**

**3. Level of trade**

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

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

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

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

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

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

This requires the following information:

- a detailed description of each sales activity performed in selling to your domestic customers (for example sales personnel, travel, advertising, entertainment etc);

- the cost of carrying out these activities in respect of like goods;
- for each activity, whether your firm carries out the same activity when selling to importers in Australia;
- an explanation as to why you consider that you are entitled to a level of trade adjustment.

or

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

**Answer:**

**We do not claim such allowances since [Confidential].**

*[Detail of reason removed]*

*The information of reason is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

**4. Credit**

The cost of extending credit on domestic sales is not included in the amounts quantified at question D-4. However, Customs and Border Protection will examine whether a credit adjustment is warranted and determine the amount. An adjustment for credit is to be made even if funds are not borrowed to finance the accounts receivable.

The interest rate on domestic sales in order of preference is:

- the rate, or average of rates, applying on actual short term borrowing's by the company; or
- the prime interest rate prevailing for commercial loans in the country for credit terms that most closely approximate the credit terms on which the sales were made; or
- such other rate considered appropriate in the circumstances.

Provide the applicable interest rate over each month of the investigation period.

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

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

2. *Calculate the average credit period*

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

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

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

**Answer:**

Not applicable.

5. **Transportation**

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

**Answer:**

<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 domestic sales, YueLing negotiates the inland transportation cost with carriers and records the actual amounts, and then pays the total amounts to carriers by month. For each transaction, the freight expenses are recorded from actual amount. In terms of each product of one transaction, the freight expenses are allocated by weight.

Please refer to the Exhibit E-5 for the documents of transportation costs.

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

**6. Handling, loading and ancillary expenses**

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

**Answer:**

There is no such expenses occurred, this question is 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**".

**Answer:**

The packing methods and packing materials are not really different for export or domestic sales so we do not claim the adjustment of the packing costs for both export and domestic sales.

**8. Commissions**

For any commissions paid in relation to the domestic sales:

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

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

**Answer:**

There is no commissions occurred, this question is 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.

**Answer:**

**There is no such expenses occurred, this question is 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;
- *warehousing expense*: an expense incurred at the distribution point;
- *royalty and patent fees*: describe each payment as a result of production or sale, including the key terms of the agreement;
- *advertising*; and
- *bad debt*.

**Answer:**

**We do not claim any other allowances.**

**E-3 Duplication**

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

For example:

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

Separate adjustment items must avoid duplication.

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

## SECTION F

### EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA (THIRD COUNTRY SALES)

*Your response to this part of the questionnaire may be used by Customs and Border Protection 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. Customs and Border Protection may seek more detailed information on particular third country sales where such sales are likely to be used as the basis for determining normal value.*

**F-1 Using the column names and column descriptions below provide a summary of your export sales to countries other than Australia.**

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

Supply this information in spreadsheet file named "Third country"

**Answer:**

Please refer to **Exhibit F-1** for Third Country sales.

*The above-referred information of third country sales is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

**Answer:**



ZheJiang YueLing Co., Ltd

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Generally, the products sold to third countries were comparable to export sales to Australia, but please note that the data reported in Exhibit F-1 Third Country was based on the actual delivery term, rather than being adjusted to FOB level.

## SECTION G COSTING INFORMATION AND CONSTRUCTED VALUE

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

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

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

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

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

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

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

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

### G-1. Production process and capacity

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

#### Answer:

Please refer to Exhibit G-1.1 for Production Process.

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

	PREVIOUS FINANCIAL YEAR	MOST RECENT FINANCIAL YEAR	Investigation Period

A – Production capacity (eg kg, tonnes)*			
B – Actual production in volume (eg kg, tonnes)			
C – Capacity utilisation (%) (B/A x 100)			

\* rather than showing a 'name-plate' optimal capacity it is more meaningful to show the maximum level of production that may reasonably be attained under normal operating conditions. For example assuming: normal levels of maintenance and repair; a number of shifts and hours of operation that is not abnormally high; and a typical production mix.

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

**Answer:**

Please refer to **Exhibit G-2.1** for Production table.

*This confidential information is provided to the Service for investigation. Since such data is classified as highly sensitive commercial information, please refer to a summary of the information in an indexed form.*

**G-3. Cost accounting practices**

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

**Answer:**

There are no special management accounting system maintained by Yueling. All Yueling's cost accounting systems are part of its financial accounting system.

The cost accounting information is reconciled to the audited financial statements as follows:

**Cost of Manufacturing + Beginning Inventory – Ending Inventory + Other Accounting Adjustments = Cost of Goods Sold in Income Statement**

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

**Answer:**

Yueling does not apply standard cost, so this question is not applicable.

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

**Answer:**

Yueling does not apply standard cost, so this question is not applicable.

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

**Answer:**

There's no such concept of cost/profit centre in the cost accounting system of Yueling. Yueling gathers all cost elements and allocates to all the total finished products produced according to the weight of goods at the end of each month.

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

**Answer:**

The costs and expenses are calculated monthly.

For cost of GUC/like goods, Yueling reports the production costs of each type of products according to its weight.

For expenses, Yueling usually allocated them to the product produced sold in the corresponding month.

The costs are allocated to different types of products by using the weight as a specific allocation ratio to reflect the differences in the cost for each type of products.

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

**Answer:**

Yueling's cost accounting system are designed to reflect the cost of product with differences surfaces, cost of raw materials consumed and be sent out for further surface treatment. (E.g. Chrome, Polish), the company has another record for the expenses paid for these consigned processing.

For detailed information, please refer to the Exhibit G-4.1.

*The above information of domestic CTMS is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

**Answer:**

There is no such kind of difference.

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

**Answer:**

Yueling did not engage in start-up operations, so this question is 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.

**Answer:**

Yueling did not engage in start-up operations, so this question is 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. Please provide (in the format shown in the table below) the actual unit cost to make and sell each model/type\* (identified in section C) of the like goods sold on the domestic market. Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.

\* You should provide separate costs for at least untreated and treated structural timber. Costs should be provided for lower levels of product type if these are normally calculated by your company.

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

	Quarter X	Quarter X	Quarter X	Quarter X
Like Domestic Model/Type – from spreadsheet LIKEGOOD				
Material Costs <sup>1</sup>				
Direct Labour				
Manufacturing Overheads				
Other Costs <sup>2</sup>				
<b>Total Cost to Make</b>				
Selling Costs				
Administration Costs				

<sup>2</sup> Customs applies the tests set out in s.269TAAD of the Customs Act 1901 to determine whether goods are in ordinary course of trade. These provisions reflect the WTO anti-dumping agreement – see Article 2.2.1.

Financial Costs				
Delivery Expenses <sup>3</sup>				
Other Costs <sup>3</sup>				
Unit Cost to Make and Sell				

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

<sup>1</sup> Identify each cost separately. Include indirect material costs as a separate item only if not included in manufacturing overheads.

<sup>2</sup> Relating to costs of production only; identify each cost separately.

<sup>3</sup> Identify each cost separately. Please ensure non-operating expenses **that relate to the goods** under consideration are included. Where gains/losses due to foreign currency exchange are incurred, please provide detail of the amounts separately for transaction and translation gains/losses.

*Provide this information for each quarter (or month if your company calculates costs on a monthly basis) over the period of the investigation.*

*Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.*

*If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.*

*Please specify unit of currency.*

**Answer:**

Please refer to **Exhibit G-4.2** for the Domestic CTMS.

With regard to supporting worksheets, please see **Exhibit G-4.2.1** for allocation of SG&A.

Please kindly note that the manufacture cost of the GUC/like goods are the same and are not differentiate the cost of production for different markets. Therefore, the **Exhibit G-4.2 Domestic CTMS** is same as Australian CTMS.

*The above-referred information of domestic CTMS and allocation of SG&A are not susceptible to a meaningful non-confidential summary as they are commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

## G-5 Cost to make and sell goods under consideration (goods exported to Australia)

The information is relevant to calculating the normal values based on costs. It is also relevant to calculating certain adjustments to the normal value.

	Quarter X	Quarter X	Quarter X	Quarter X
Model/Type exported to Australia – from spreadsheet <b>LIKEGOOD</b>				
Material Costs <sup>1</sup>				
Direct Labour				
Manufacturing Overheads				
Other Costs <sup>2</sup>				
<b>Total Cost to Make</b>				
Selling Costs				
Administration Costs				
Financial Costs				
Delivery Expenses <sup>3</sup>				
Other Costs <sup>3</sup>				
<b>Unit Cost to Make and Sell</b>				

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

<sup>1</sup> Identify each cost separately. Include indirect material costs as a separate item only if not included in manufacturing overheads.

<sup>2</sup> Relating to costs of production only; identify each cost separately.

<sup>3</sup> Identify each cost separately. Please ensure non-operating expenses that relate to the goods are included. Where gains/losses due to foreign currency exchange are incurred, please provide detail of the amounts separately for transaction and translation gains/losses.

Provide this information for each quarter (or month if your company calculates costs on a monthly basis) over the period of the investigation.

Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.

If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.

Please specify unit of currency.

**Answer:**

Please refer to **Exhibit G-4.2** for the Domestic CTMS.

Please kindly note that the manufacture cost of the GUC/like goods are the same. Yueling did not record the different manufacture cost for domestic sales and export sales. Therefore, the Exhibit G-4.2 Domestic CTMS is same as Australian CTMS.

*The above-referred information of domestic CTMS is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

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

**Answer:**

With regard to supporting worksheets, please refer to Exhibit G-4.2.1 for the Allocation of SG&A of Yueling.

*The above-referred information of allocation of SG&A is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

- 2 Give details and an explanation of any significant differences between the costs shown, and the costs as normally determined in accordance with your general accounting system. Reference should be made to any differences arising from movements in inventory levels and variances arising under standard costing methods.

**Answer:**

There was no such difference.

- 3 In calculating the unit cost to make and sell, provide an explanation if the allocation method used (eg number, or weight etc) to determine the unit cost differs from the prior practice of your company.

**Answer:**

In Yueling's cost accounting system, it has never allocated the SG&A to per unit weight product. But to report the unit cost to make and sell in Domestic CTMS, Yueling allocated the SG&A to per unit weight product based on the ratio of SG&A in Cost of Goods Sold in the Income Statement.

## **G-6 Major raw material costs**

List major raw material costs, which individually account for 10% or more of the total production cost.

For these major inputs:

- identify materials sourced in-house and from associated entities;



- identify the supplier; and
- show the basis of valuing the major raw materials in the costs of production you have shown for the goods (eg market prices, transfer prices, or actual cost of production).

Where the major input is produced by an associate of your company Customs and Border Protection will compare your purchase price to a normal market price. If the associate provides information on the cost of production for that input such cost data may also be considered.

Normal market price is taken to be the price normally available in the market (having regard to market size, whether the input is normally purchased at 'spot prices' or under long term contracts etc).

The term associate is defined in section 269TAA of the Customs Act. Included in that definition are companies controlled by the same parent company (a company that controls 5% or more of the shares of another is taken to be an associated company); companies controlled by the other company; and companies having the same person in the board of directors.

**Important note: If the major input is sourced as part of an integrated production process you should provide detailed information on the full costs of production of that input.**

**Answer:**

The major raw material that account for 10% or more of the total production cost is aluminium alloy ingot.

The suppliers of raw material are as follows, and none of those [Confidential] suppliers is related to Yueling.

**Aluminium ingot**

[Confidential]

[Confidential]

[Confidential]

[Confidential]

The basis for valuing the raw material in the costs of productions is actually costs for purchase.

*[Numbers and Name of raw materials suppliers of Yueling removed]*

*The above information of the names of raw materials suppliers are not susceptible to a meaningful non-confidential summary as they are commercially sensitive. Since disclosure of such information will harm the Company's interests, it was provided to the Service in confidence.*

## SECTION H – PARTICULAR MARKET SITUATION

Answers to the questions in this section are provided in an independent file. For more information, please refer to that independent file

## SECTION H – PARTICULAR MARKET SITUATION

*The applicants claim that a 'market situation' exists in respect of ARWs from China due to government influence on both the prices of the goods and the major raw material inputs (aluminium) used in the manufacture of the goods.*

*The existence of a 'market situation' could affect Customs and Border Protection's approach to calculating normal value within its dumping assessment.*

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

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

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

*It may be necessary for Customs and Border Protection to request additional information following receipt and review of your response.*

There are three parts to this section:

PART H-1 - Requests information concerning the organisation of your company and the GOC's involvement in the business of your company.

PART H-2 - Requests information concerning the GOC's measures with respect to the aluminium industry in China.

PART H-3 - Requests information concerning the ARWs sector in the region where your company is located.

## PART H-1 GENERAL INFORMATION

The information requested in this part will provide an overview of your corporate organisation and the GOC's involvement in your business. In addition to your response to each of the questions, all necessary supporting documentation is requested.

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

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

- a) reporting requirements;
- b) payment of taxes;
- c) senior management representation within your business;
- d) approval/negotiation of business decisions (e.g. investment decisions, management decisions, pricing decisions, production decisions, sales decisions);
- e) licensing;
- f) restrictions on land use;
- g) provision of loans; or
- h) provision of grants, awards or other funds.

**Answer:**

Yueling is a private owned company, obtained its business license on May 21<sup>st</sup> 1998 according to Chinese law. All the decisions concerning the operation strategies and commercial activities are made by the Company itself.

Yueling provides some general operating data (e.g. water consumption, estimated production quantity and value, etc.) to government agency for propose of statistics only, GOC does not intervene the Yueling's operating in any respects (e.g. investment, production, sales, land use, loans, utilities, etc.) and does not

involve in any recommending, selecting or appointment of management to the company.

Yueling pays the taxed according to the relevant regulations; the income tax rate is 15%.

**2. Business structure, ownership and management**

- a) Indicate whether your company is an SOE (refer to the Glossary of Terms for definition).

**Answer:**

**Yueling is not an SOE but a private owned company.**

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

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

**Answer:**

**Please refer to the following tables for the details Board of shareholders of Yueling and its' related business:**

**Zhejiang Yueling Co., Ltd.:**

Name of Shareholders	Shareholding percentage
Lin Xianming	[Confidential]
Zhong Xiaotou	[Confidential]
Lin Wanqing	[Confidential]
Lin Xinfu	[Confidential]
Lin Shenmao	[Confidential]
Lin Ping	[Confidential]
Lin Bin	[Confidential]
Other 22 natural persons	[Confidential]
3 investment companies	[Confidential]
<b>Total</b>	<b>100%</b>

*[Shareholding percentage of Yueling omitted]*

*The above information of percentage of shareholding is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

**Zhejiang Yueling Imp. & Exp. Co., Ltd.**

Name of Shareholders	Shareholding percentage
Zhejiang Yueling Co., Ltd.	[Confidential]

*[Shareholding percentage of Yueling Imp & Exp omitted]*

*The above information of shareholding percentage is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

**Please refer to the following tables for the details of the Board of Directors of Yueling and its' related businesses:**

**Zhejiang Yueling Co., Ltd.:**

Name	Title
Lin Xianming	[Confidential]
Lin Xinfu	[Confidential]
Zhong Xiaotou	[Confidential]
Lin Ping	[Confidential]
Peng Guiyun	[Confidential]
Lu Yuesong	[Confidential]
Chen Liangzhao	[Confidential]
Li Xiaoqin	[Confidential]
Li Xiaolong	[Confidential]

*[Board of Directors of Yueling omitted.]*

*The above information of Board of Directors is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

**Zhejiang Yueling Imp. & Exp. Co., Ltd.**

Zhejiang Yueling Co., Ltd.  
Non-Confidential

Name	Title
Lin Xianming	[Confidential]

*[Board of Directors of Yueling Imp & Exp omitted.]*

*The above information of Board of Directors is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

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

If so, identify the individuals, their role on that Board and their affiliation with the GOC.

**Answer:**

**Yueling is a private owned company, no member of the Board of Directors and Board of Shareholders is a representative, of GOC employees, or is affiliated with the GOC.**

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

**Answer:**

**There is no representative from CCP on the Board of Directors or Board of Shareholders of Yueling and its related company.**

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

**Answer:**

**There is no member appointed, managed or recommended by the GOC into the Board of Directors or Board of Shareholders of Yueling and its' related company.**

f) Indicate who owns what percentage of all shares in your business and identify whether they are:

- an affiliate, representative, agency or otherwise representative of the GOC;
- employees of your business;
- foreign investors; or
- other (please specify).

**Answer:**

**Please refer to the following table for the required information:**

<b>Name of Shareholders</b>	<b>Shareholding percentage</b>	<b>Position</b>
Lin Xianming	[Confidential]	[Confidential]
Zhong Xiaotou	[Confidential]	[Confidential]
Lin Wanqing	[Confidential]	[Confidential]
Lin Xinfu	[Confidential]	[Confidential]
Lin Shenmao	[Confidential]	[Confidential]
Lin Ping	[Confidential]	[Confidential]
Lin Bin	[Confidential]	[Confidential]
Peng Guiyun	[Confidential]	[Confidential]
Lin Shangu	[Confidential]	[Confidential]
Li Xiaolin	[Confidential]	[Confidential]
Chen Hengming	[Confidential]	[Confidential]
Lian Kejian	[Confidential]	[Confidential]
Wan Shiwen	[Confidential]	[Confidential]
Lu Yuesong	[Confidential]	[Confidential]
Wan Kun	[Confidential]	[Confidential]
Zhuang Wenxin	[Confidential]	[Confidential]
Li Qinghe	[Confidential]	[Confidential]
Guo Guanghua	[Confidential]	[Confidential]
Wang Shifu	[Confidential]	[Confidential]
Zhu Junfei	[Confidential]	[Confidential]
Tong Jiancai	[Confidential]	[Confidential]
Pan Zibiao	[Confidential]	[Confidential]
Ni Lejun	[Confidential]	[Confidential]



Ni Feng	[Confidential]	[Confidential]
Ji Senlin	[Confidential]	[Confidential]
Huang Xiaoming	[Confidential]	[Confidential]
Lin Bei	[Confidential]	[Confidential]
Jiang Jiaojun	[Confidential]	[Confidential]
Ji Linghui	[Confidential]	[Confidential]
Hangzhou Lianchuang Yongyi Chuangye Investment Partnership.	[Confidential]	[Confidential]
Beijing Zhongrun Hongli Chuangye Investment Co., Ltd.	[Confidential]	[Confidential]
Zhejiang Zheshang Chuangye Investment Management Co., Ltd.	[Confidential]	[Confidential]
<b>Total</b>	<b>100%</b>	-

*[Shareholding percentage and Shareholders' Position of Yueling omitted]*

*The above information of shareholding percentage and Shareholders' Position is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

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

**Answer:**

**Please refer to the following table:**

SN	Date of change	Change Items	Original	Changed
1.	2010-10-08	Registered capital	[Confidential]	[Confidential]
2.	2010-12-23	Registered capital	[Confidential]	[Confidential]
		Number of investors	[Confidential]	[Confidential]
		Ownership	[Confidential]	[Confidential]
3.	2011-01-24	Registered capital	[Confidential]	[Confidential]
		Number of investors	[Confidential]	[Confidential]
		Ownership	[Confidential]	[Confidential]

*[Alteration Registration Information of Yueling omitted]*

*The above information of alteration Registration Information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

**\*In respect to the ownership changing, please refer to the Exhibit H- 1.2(g) copies of Change Registration Form.**

*[Registration Alteration Information of Yueling removed]*

*The above information of alteration Registration Information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

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

**Answer:**

**There is no position is appointments or designated to act on behalf of GOC authorities.**

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

**Answer:**

**There is no such requirement in law and in practice.**

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

**Answer:**

**Yueling is not a publicly-traded company, so this question is not applicable.**

- k) Provide the monthly trading volume and average monthly trading price of your listed security between 01 July 2010 to 30 June 2011.

**Answer:**

**Yueling is not a publicly-traded company, this question is not applicable.**

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

**Answer:**

**Board of Directors has the ability to reward, to fire or discipline the senior managers.**

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

**Answer:**

**Lin Xianming, Chairman of the Board of Directors of Yueling is the vice-Chairman of Wenlin Chambers of Commerce.**

**He does not hold any position in any GOC departments or organisations.**

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

**Answer:**

**Yueling have no pricing committee, so this question is not applicable.**

**3. Licensing**

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

**Answer:**

**Please refer to the Exhibit H-1.3(a), Business license of Yueling.**

*[Business license of Yueling removed]*

*The business license is not susceptible to a meaningful non-confidential summary as it includes the Registered Capital which is commercially*

*sensitive. Disclosure of such information will damage the Applicant's interests.*

- b) Identify the GOC departments or offices responsible for issuing the license(s).

**Answer:**

The business license was issued by Taizhou Administration for Industry and Commerce.

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

**Answer:**

In general, the procedure is that the entity submits a letter of application and documents which are required by the administration for industry and commerce. Then the administration for industry and commerce examine documents and situation of the entity, if they met the requirements and conditions, the administration for industry and commerce will issue the license.

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

**Answer:**

Generally, the requirements and conditions that must be complied with in applying for a business license normally include: a letter of application issued by legal representative, certificate of a representative of shareholders or an agent jointly appointed by shareholders, a copy of Articles of Association, certificate for place of operation, certificate of property, identity of legal representative, certificate of investment verification, letter of appointment of the members of the Board and managers, their names, identity, residence, name of the company.

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

**Answer:**

**There are no restrictions imposed on Yueling by its business license.**

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

**Answer:**

**There are no restrictions imposed on activities that are specified and performed by a company. In case a company wishes to expand the scope of its business, the company simply notifies the Administration for Industry and Commerce located at the place where the company is registered.**

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

**Answer:**

**The Business License indicates that a company is incorporated under the relevant laws and has duly obtained "legal person" status.**

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

**Answer:**

**If a company is involved in illegal activities, or goes bankrupt or it engages in fraudulent business practices or forges documents or alters the Business License or transfers, lends or rents the Business License, etc. the Business License, can be revoked by the Administration for Industry and Commerce.**

**4. Decision-making, planning and reporting**

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

- (i) what goods are produced;
- (ii) how the goods are produced;

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

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

**Answer:**

**There is no government involvement in the decision-making process respecting the manufacture, marketing and sale of aluminium products.**

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

**Answer:**

**No government department/office is involved, neither directly nor indirectly, in the manufacture, sale or purchase of aluminium products.**

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

**Answer:**

**Yueling needs to submit the enterprise VAT returns, enterprise income tax returns to relevant tax authorities.**

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

**Answer:**

As a Non-SOE, Yueling has never been influenced by any government Five Year Plan. Yueling is not aware of any Five Year Plan.

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

**Answer:**

**Yueling has no Five Year Plans.**

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

**Answer:**

Please refer to **Exhibit H-1.4(g).1** for the minute of Yueling's Board of Shareholders meetings over the investigation period.

*[Minute of Yueling's Board of Shareholders meetings removed]*

*The above-referred information of minute of Board of Shareholders meetings is not susceptible to a meaningful non-confidential summary as it includes the operation decision information which is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

Please refer to **Exhibit H-1.4(g).2** for the minute of Yueling's Board of Directors over the investigation period.

*[Minute of Yueling's Board of Directors removed]*

*The above-referred information of minute of Board of Directors is not susceptible to a meaningful non-confidential summary as it includes the operation decision information which is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

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

**Answer:**

**Yueling has no such meetings, so the question is not applicable.**

**PART H-2 GOC MEASURES IN THE ALUMINIUM SECTOR**

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

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

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

**Answer:**

**As a road wheel producer, Yueling is not aware of GOC opinions, directives, decrees, promulgations, measures, etc. concerning the aluminium industry.**

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

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

- industrial policy and guidance on the aluminium industry sector;
- market entry criteria for the aluminium industry sector;
- environmental enforcement for the aluminium industry sector;
- management of land utilization;



- the China Banking Regulatory Commission for the aluminium industry sector;
- investigation and inspection of new aluminium expansion facilities;
- the section in the National Development and Reform Commission that is responsible for the aluminium industry sector; and
- import licensing for aluminium and other aluminium raw materials.

**Answer:**

**Yueling is not aware of any GOC department concerning the aluminium industry.**

**3. Other government approvals**

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

- a) Explain whether your company has undertaken an approval process through the GOC for any aluminium or aluminium related investments in the last 10 years.

**Answer:**

**As a road wheel manufacturer, Yueling had no aluminium or aluminium related investment in the last 10 years.**

**For aluminium wheel industry, Yueling do not think there's any requirement for approval for the investment.**

- b) Explain whether any applicable investments received the necessary approval and if so, provide documentation confirming this approval.

**Answer:**

**Yueling does not invest in the aluminium industry, so the question is not applicable.**

- c) If your investment was not approved, provide the reasons given for the refusal.

**Answer:**

**Yueling does not invest in the aluminium industry, so the question is not applicable.**

- d) Describe the process your company has to follow to obtain these approvals.

**Answer:**

**Yueling does not invest in the aluminium industry, so the question is not applicable.**

- e) Provide a translated copy of the application form along with the original Chinese version.

**Answer:**

**Yueling does not invest in the aluminium industry, so the question is not applicable.**

- f) Identify the office that sent communication of these requirements to your company along with the office address, contact names, phone numbers and fax numbers.

**Answer:**

**The question is not applicable.**

#### **4. Accelerating the Restructure of Aluminium Industry**

Customs and Border protection is aware of the GOC's *guidelines for the restructuring of the Aluminium Industry*. The following questions relate to these guidelines:

- a) Explain in detail if there were any directives or measures from GOC that have been communicated to your business since the inception of these guidelines?

**Answer:**

**Yueling is not aware of any such directives or measures.**

- b) Identify the Government department, association or company official that communicated these guidelines or any related measures to your business.

**Answer:**

**Yueling is not aware of any such directives or measures. This question is not applicable.**

- c) Identify the Government department, association or company and names of officials who are responsible for the administration of these guidelines.

**Answer:**

**Yueling is not aware of any such directives or measures. This question is not applicable.**

- d) Explain in detail how has these guidelines impacted your business investment plans. This may include reference to specific measures considered or taken by your business. Such items may include but are not limited to items such as project approval process, credit and loans terms (including any preferential interest rates), the environmental issues, discounted rate of energy and raw materials (aluminium, pre-alloyed product etc).

**Answer:**

**Yueling has no idea about any such directives or measures and thus has no ideas on any possible impact the Company.**

- e) Explain the on-going mechanism used by the GOC to measure your business compliance with the policy directives and/or guidelines.

**Answer:**

**Yueling has no idea about any such directives or measures and thus has no ideas on any possible impact the Company.**

### **PART H-3 THE ARW SECTOR**

The information requested in this part will assist in providing a better understanding of the GOC measures and your business' sales and production of ARWs.

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

#### **1. Export quotas and licensing**

- a) Are ARWs sold by your company subject to any export quotas?

If so, explain why ARWs are subject to quotas and the method by which the quotas are allocated.

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

**Answer:**

**There is not any export quota to ARW products.**

- b) If ARWs is not presently subject to export quotas, indicate if quotas existed during the investigation period and when and why they were removed.

**Answer:**

**The question is not applicable.**

- c) Identify which GOC agency legislates and monitors any such quotas.

**Answer:**

**The question is not applicable.**

- d) Has the GOC set any targets or limits regarding the quantity of ARWs that you may sell on the domestic or export markets? If so, provide details.

**Answer:**

**GOC has not set any targets or limits regarding the quantity of ARW for domestic sales and export sales.**

- e) Are there any export licence requirements for ARWs? If so, provide details.

**Answer:**

**There is no licence to ARW products.**

**2. Taxation**

- a) Were there any export taxes on the exports of ARWs during the investigation period?

**Answer:**

**There are no export taxes on ARW products during the investigation period.**

- b) What was the VAT rebate applicable to ARWs exports during the investigation period?

**Answer:**

**The VAT rebate rate of 17% is applicable to ARW exports during the investigation period.**

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

**Answer:**

**There has not been any change to the VAT rebate rate to aluminium exports in the last 5 years and the rate is 0%.**

- d) Are you aware of any tax changes being planned that would impact the ARWs sector?

**Answer:**

**Yueling is not aware of any such tax changes being planned.**

**3. Sales terms**

- a) Identify the person who authorises the sales terms, prices and other contract provisions for the sale of ARWs by your business.

**Answer:**

Yueling authorizes salesman

- b) Explain how the selling prices of ARWs by your business are determined, including any GOC involvement in your business' pricing decisions, and indicate if the goods are subject to GOC direct or indirect pricing or government guidance pricing.

**Answer:**

**Generally, Yueling determine the price by taking into account the raw material cost, processing expenses, and market situation. There is no direct or indirect GOC intervention or guidance.**

- c) Does your business coordinate the selling prices or supply of ARWs with other domestic aluminium and aluminium product producers, any GOC departments, or the China Iron and Aluminium Association? If so, provide details.

**Answer:**

**Yueling determine the selling and supply of ARWs by itself, and doesn't coordinate with other producers, GOC department or other Association.**

- d) Explain whether your business provides ARWs price information/data to the GOC, other government officials or

commercial/industry organisations, including those outside of China, which report on the aluminium sector.

**Answer:**

Yueling doesn't provide ARWs price data to the GOC, other government officials or other organisations.

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

**Answer:**

Yueling doesn't provide ARWs price data to the any other person at any level of government.

**5. Industry associations**

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

**Answer:**

Yueling is a member of China Chamber of Commerce for Import & Export of Machinery & Electronic Products.

The Chamber of Commerce never involves or provides any guidance on any of Yueling's business operation.

Yueling believes there is no involvement of the GOC with the Chamber.

Please refer to the Exhibit H-3.5 for the Certificate of Membership of CCCME.

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

**Answer:**

Yueling's membership is voluntary. The Chamber of Commerce plays the role of bridge between different industries, enterprises and science development institutions and provides a platform of communication.

**6. Statistics submission/recording**

- a) Indicate if your business makes submissions<sup>1</sup> to the Chinese Bureau of Statistics and/or any other government organisation. If yes, explain the purpose of these submissions and the type of information submitted.

**Answer:**

Yueling submits the rough estimated gross output value and gross output quantity data and utilities consumption data to the Bureau of Statistics for the purpose of statistics only.

- b) Provide a recent example of a submission that has been made to the Bureau of Statistics and/or any other government organisation. For example, monthly data relating to sales, production and costs.

**Answer:**

Please refer to **Exhibit H-3.6(b)** for the submission data.

*[Submission data removed]*

*The above-referred information of submission data is not susceptible to a meaningful non-confidential summary as it includes gross output value and quantity which are commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

- c) Do the organisations approve or assess your submission? If yes, provide a detailed explanation

**Answer:**

The Bureau of Statistics doesn't approve or assess the submission.

<sup>1</sup>For example, monthly data relating to sales, production and costs.



- d) Do the organisations provide feedback on your submission? If yes, provide a detailed explanation.

**Answer:**

**The Bureau of Statistics doesn't provide feedback on the submission.**

**7. Manufacturing inputs**

- a) Is there a price difference in purchase price for raw materials (i.e. aluminium or other raw material) between your suppliers?

**Answer:**

**There is difference in price for raw materials between the suppliers which caused by the time of purchase and other market situations.**

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

**Answer:**

**There is difference in price for raw materials between SOEs and non-SOEs. However, this difference is due to the time of purchase, the terms of purchase and other market situation.**

*Note: the applicant alleges that producers in China of ARWs have benefited from the provision of primary aluminium by the GOC at less than fair market value (see Program 1 in Section I of this questionnaire).*

*Further questions regarding primary aluminium supply and pricing are asked in Section I of this questionnaire. Your responses to these questions are relevant to the assessment of whether a market situation exists. Ensure responses to these questions are complete.*

- c) If your supplier is based outside China, what import duty rate is applied on the raw materials (i.e. aluminium or other raw material)?

**Answer:**

**Yueling didn't import the raw materials, so the question is not applicable.**

- d) Does your business benefit from any concession on the purchase of any utility services (e.g. electricity, gas,,etc) ? If so what is the rate of concession?

**Answer:**

**Yueling purchase utility services at market prices, without any benefit from any concession on the purchase of any utility services.**

**8. Regional differences**

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

**Answer:**

**Yueling's production facilities are locate in only one province so,this question is not applicable.**

**9. ARWs production/output during the investigation period**

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

**Answer:**

**Yueling is not aware of any such guidance and policy.**

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

**Answer:**

**Yueling is not aware of any such guidance and policy.**

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

**Answer:**

**This question is not applicable.**

- d) Provide details regarding any other restrictions (e.g., geographic/regional, downstream, use, etc.) to the sale of ARWs that may be imposed by the GOC.

**Answer:**

**Yueling's business has not been subject to any such restriction from GOC.**

**10. Sales price during the investigation period**

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

**Answer:**

**Yueling's business has not been subject to sales price guidance or controls for the domestic aluminium price by the GOC during the investigation period.**

- b) Explain whether your business has been subjected to any direct or indirect price guidance or controls by the GOC during the investigation period, with respect to raw material inputs (i.e. aluminium, etc.).

**Answer:**

**Yueling's business has not been subject to sales price guidance or controls to raw material inputs by the GOC during the investigation period. The price of raw material inputs is decided by market rules, i.e. by the supplying and demanding.**

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

**Answer:**

**Yueling's business has not been subject to price guidance or controls by regional, provincial or special economic zone officials and/or organisations.**

**11. Adding capacity and/or joint ventures**

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

**Answer:**

**Yueling's business has not been subject to government approval process for adding capacity and/or entering into joint ventures in the ARW sector. This industry is characterized by constant innovation and productivity enhancement. It is a model of pure competition. Such matters as are addressed in the question are independently decided by the company.**

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

**Answer:**

**According to Yueling's knowledge, the government has no such right.**

## SECTION I – COUNTERVAILING

Answers to the questions in this section are provided in an independent file. For more information, please refer to that independent file,

## SECTION I – COUNTERVAILING

The applicant alleges that producers in China of ARWs and upstream suppliers have benefited from a number of subsidies granted by the GOC (meaning any level of government – refer to the Glossary of Terms for further information), and that these subsidies are countervailable.

### INVESTIGATED PROGRAMS

The following are programs that Customs and Border Protection is currently investigating:

**Program 1:** Aluminium provided by government at less than fair market value

**Program 2:** Transitional preferential tax policies for tax resident enterprise

**Program 3:** Preferential policies on Enterprise Income Tax

**Program 4:** Preferential income tax for hi-tech enterprises

**Program 5:** "Go west" strategy

**Program 6:** Preferential tax policies for FIEs established in the coastal economic open areas and in the economic and technological development zones

**Program 7:** Reduced tax rate for productive FIEs scheduled to operate for a period not less than 10 years: *"two years of exemption and three years fifty per cent reduction"*

**Program 8:** Preferential tax policies for FIE export enterprises whose annual output value of all export products amounted to 70% or more

**Program 9:** Preferential tax policies for FIEs which are technology-intensive and knowledge-intensive

**Program 10:** Preferential tax policies for enterprises which provide employment to unemployed people

**Program 11:** Preferential tax policies for FIEs in State high- or new-technology industrial development zones, and for advanced technology enterprises invested in and operated by FIEs

**Program 12:** 100% refund of income tax paid on direct reinvestment

**Program 13:** Preferential tax policies for enterprises transferring technology

**Program 14:** Preferential tax policies for enterprises making little profits

**Program 15:** Preferential tax policies for enterprises with foreign investment in the border cities

**Program 16:** Preferential tax policies for FIEs in central and western China

**Program 17:** Preferential tax policies for FIEs established in the Pudong area of Shanghai

**Program 18:** Preferential tax policies for domestic companies and FIEs in the western regions

**Program 19:** Preferential tax policies for FIEs in the *Three Gorges of Yangtze River Economic Zone*

**Program 20:** Preferential tax policies for enterprises established in poverty stricken areas

**Program 21:** Grants for encouraging the establishment of headquarters and regional headquarters with foreign investment

**Program 22:** Preferential tax treatments for new hi-tech enterprises (NHTEs) in special zones

**Program 23:** Preferential policies in industrial zones in China including Economic & Technological Development Zones (ETDZ), High & New Technological Development Zones (High Tech Parks), Export Processing Zones (EPZ), Special Economic Zones (SEZ), Free Trade Cooperation Zones (FTZ), Industrial Zones (IZ) and Export Processing Zones (EPZ) - Provinces include Beijing, Dalian, Fujian, Guangdong, Guangzhou, Lianyungang, Nantong, Ningbo, Qingdao, Qinhuangdao, Shanghai

**Program 24:** Preferential Policies in Xinzhuang Industrial Zone, Shanghai

**Program 25:** Preferential policies in Shanghai

**Program 26:** Preferential policies in Weihai Economic Development, High-tech Industry Development and Export Processing zones, Shandong province

**Program 27:** Tax incentives for manufacturing FIEs in Jiangsu province

**Program 28:** Preferential tax rates in Guangzhou, Guangdong province

**Program 29:** Patent award of Guangdong Province

**Program 30:** Termination of tax refund policies for FIEs on their purchase of domestically manufactured equipment

**Program 31:** Exemption of tariff and import VAT for imported technologies and equipments

**Program 32:** Full refund of VAT to FIEs on purchasing unused domestic equipment with currency in China

**Program 33:** Preferential tax treatment for casting and forging products

**Program 34:** Preferential tax treatment to dies product

**Program 35:** Matching funds for international market development for SMEs

**Program 36:** *"Innovative Experimental Enterprise Grant"*

**Program 37:** Special Support Fund for non-State-owned enterprises (NSOEs)

**Program 38:** *"Venture Investment Fund for Hi-Tech Industry"*

**Program 39:** Superstar Enterprise Grant

**Program 40:** One-time awards to enterprises whose products qualify for *"Well-Known Trademarks of China"* or *"Famous Brands of China"*

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



**PART I-1      PREFERENTIAL INCOME TAX PROGRAMS (PROGRAMS  
2,3,4,  
6-20,22,28,33 AND 34)**

1. Did your business or any company/entity related to your business receive any benefit<sup>1</sup> under the following programs during the investigation period (1 July 2010 to 30 June 2011):

**Program 2:** Transitional preferential tax policies for tax resident enterprise

**Program 3:** Preferential policies on Enterprise Income Tax

**Program 4:** Preferential income tax for hi-tech enterprises

**Program 6:** Preferential tax policies for FIEs established in the coastal economic open areas and in the economic and technological development zones

**Program 7:** Reduced tax rate for productive FIEs scheduled to operate for a period not less than 10 years: *"two years of exemption and three years fifty per cent reduction"*

**Program 8:** Preferential tax policies for FIE export enterprises whose annual output value of all export products amounted to 70% or more

**Program 9:** Preferential tax policies for FIEs which are technology-intensive and knowledge-intensive

**Program 10:** Preferential tax policies for enterprises which provide employment to unemployed people

**Program 11:** Preferential tax policies for FIEs in State high- or new-technology industrial development zones, and for advanced technology enterprises invested in and operated by FIEs

**Program 12:** 100% refund of income tax paid on direct reinvestment

**Program 13:** Preferential tax policies for enterprises transferring technology

**Program 14:** Preferential tax policies for enterprises making little profits

<sup>1</sup> Refer to the Glossary of Terms for a definition of benefit in this context.

**Program 15:** Preferential tax policies for enterprises with foreign investment in the border cities

**Program 16:** Preferential tax policies for FIEs in central and western China

**Program 17:** Preferential tax policies for FIEs established in the Pudong area of Shanghai

**Program 18:** Preferential tax policies for domestic companies and FIEs in the western regions

**Program 19:** Preferential tax policies for FIEs in the *Three Gorges of Yangtze River Economic Zone*

**Program 20:** Preferential tax policies for enterprises established in poverty stricken areas

**Program 22:** Preferential tax treatments for new hi-tech enterprises (NHTEs) in special zones

**Program 28:** Preferential tax rates in Guangzhou, Guangdong province

**Program 33:** Preferential tax treatment for casting and forging products

**Program 34:** Preferential tax treatment to dies product

**Answer:**

**Yueling only received benefit under Program 4 during the investigation period.**

2. It is our understanding that the general tax rate for enterprises in China from 1 July 2010 was 25%. Confirm whether this is correct and if not, please identify the general tax rate for enterprises in China from 1 July 2010.

**Answer:**

**Yes, the understanding is correct, however Yueling' s income tax rate is 15% over the period due to it's status as Hi-tech enterprise.**

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

**Answer:**

**Yueling's income tax rate is 15% which relates to Program 4 above, Preferential income tax for hi-tech enterprises.**

**The program has been implemented on Yueling since 2009 and it would be terminated in 2011.**

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

**Answer:**

**This question is not applicable, since its' related to Program 4.**

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

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

**Answer:**

**Please refer to Exhibit I-1.5 for the benefit amount, and it was received in total.**

***[Preferential Income Tax IP removed]***

***The above-referred information of Preferential Income Tax IP is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests.***

6. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production or only certain products that have undergone research and development).

**Answer:**

**[Confidential]** which are produced by Yueling benefited from the program.

*[Range of products omitted]*

*The above-referred information of Range of products is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

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

**Answer:**

**[Confidential].**

*[Procedures for obtaining a benefit under the program omitted]*

*The above information of Procedures for obtaining a benefit under the program is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests, it was provided to the Service in confidence.*

8. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the GOC in relation to the program.

**Answer:**

Please refer to Exhibit I-1.8 for the Deduction and remission tax registration form.

*[Deduction and remission tax registration form removed]*

*The above-referred information of Deduction and remission tax registration form is not susceptible to a meaningful non-confidential summary as it includes the benefit amount which is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

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

**Answer:**

**There are no fees charged for receiving the program.**

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

**Answer:**

**Yueling had to meet the standard of hi-tech enterprise, please refer to Exhibit I-1.10 for the certificate.**

11. State whether your eligibility for the program was conditional on one or more of the following criteria:
- a) whether or not your business exports or has increased its exports;
  - b) the use of domestic rather than imported inputs;
  - c) the industry to which your business belongs; or
  - d) the region in which your business is located.

**Answer:**

**The eligibility for the program was not conditional on any of above criteria.**

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

**Answer:**

**The benefit was not related to a specific activity or project of Yueling but only to the general status as a hi-tech enterprise.**

13. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.

**Answer:**

**The benefit received under this program was recorded in Yearly Income Tax Returns. Please refer to Exhibit I-13 for the records.**

*[Yearly Income Tax Returns removed]*

*The above-referred information of Income tax returns is not susceptible to a meaningful non-confidential summary as it includes the benefit amount which is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

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

**Answer:**

**The benefits can be found in Yearly Income Tax Returns.**

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

**Answer:**

**This program will be terminated by the end of 2011.**

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

**Answer:**

**[Confidential]**

*[Program details]*

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

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

**Answer:**

To Yueling's knowledge, there will be no other program to substitute this program.

17. For each taxation year, complete the table below.

Prepare this information in the attached spreadsheet named "Income Tax" included as part of the ARWS Exporter Questionnaire – CHINA – accompanying spreadsheet provided alongside this questionnaire.

**Answer:**

Please refer to Exhibit I-1.17 Income Tax Spreadsheet for the information.

*The above-referred information of Income tax spreadsheet is not susceptible to a meaningful non-confidential summary as it includes the Net Profit which is commercially sensitive. Since disclosure of such information will damage the Applicant's interests, it was provided to the Service in index form.*

18. Provide a copy, bearing the official stamp of the appropriate level of the GOC of all
- corporate income tax acknowledgement form(s) and the income tax return(s) that your company filed for the 2008, 2009 and 2010 tax years; and
  - income tax instalment payment receipts, and all applicable income tax forms and schedules for the 2008, 2009 and 2010 tax years.

**Answer:**

Please refer to Exhibit I-13 for the Income tax returns.

*[Tax instalment payment receipts removed]*

*The above-referred information of Income tax returns is not susceptible to a meaningful non-confidential summary as it includes the Net Profit and benefit amount which are commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

Please refer to Exhibit I-1.18 for the Income tax instalment payment receipts.

**Note:** *If your company did not file an Income tax return in any of the tax years indicated, provide an explanation stating the reasons why you were exempt from filing such a return and the applicable section[s] of the Income Tax Act under which you were exempt from doing so.*

*[Tax instalment payment receipts removed]*

*The above-referred information of Income tax instalment payment receipts is not susceptible to a meaningful non-confidential summary as it includes the Net Profit and benefit amount which are commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

**PART I-2      GRANTS AND PREFERENTIAL POLICIES (PROGRAMS  
5,21,23,24,25,26,28,35,36,37,38,39 AND 40)**

It is Customs and Border Protection's understanding that the GOC may be providing grants to enterprises in China including the following identified programs:

**Program 5:** "Go west" strategy

**Program 21:** Grants for encouraging the establishment of headquarters and regional headquarters with foreign investment

**Program 23:** Preferential policies in industrial zones in China including Economic & Technological Development Zones (ETDZ), High & New Technological Development Zones (High Tech Parks), Export Processing Zones (EPZ), Special Economic Zones (SEZ), Free Trade Cooperation Zones (FTZ), Industrial Zones (IZ) and Export Processing Zones (EPZ) - Provinces include Beijing, Dalian, Fujian, Guangdong, Guangzhou, Lianyungang, Nantong, Ningbo, Qingdao, Qinhuangdao, Shanghai



**Program 24:** Preferential Policies in Xinzhuang Industrial Zone, Shanghai

**Program 25:** Preferential policies in Shanghai

**Program 26:** Preferential policies in Weihai Economic Development, High-tech Industry Development and Export Processing zones, Shandong province

**Program 28:** Preferential tax rates in Guangzhou, Guangdong province

**Program 35:** Matching funds for international market development for SMEs

**Program 36:** "Innovative Experimental Enterprise Grant

**Program 37:** Special Support Fund for non-State-owned enterprises (NSOEs)

**Program 38:** "Venture Investment Fund for Hi-Tech Industry"

**Program 39:** Superstar Enterprise Grant

**Program 40:** One-time awards to enterprises whose products qualify for "Well-Known Trademarks of China" or "Famous Brands of China"

1. Did your business or any company/entity related to your business receive any benefit under the above programs during the period **1 July 2006 to 30 June 2011**?

**Answer:**

[Confidential]

*[Programs of grant which be related to Yueling omitted]*

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will damage the Applicant's interests, it was provided to the Service in confidence.*

2. Did your business receive benefits under any other grant (including awards, prizes, funds) program during the period **1 July 2006 to 30 June 2011**?

**Answer:**

[Confidential]

*[The other grant programs which be related to Yueling omitted]*

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

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

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

**Answer:**

Please refer to Exhibit I-2 for the amount of these programs. Usually the grants were given in a lump sum each program.

*[Grant list removed]*

*The above-referred information is not susceptible to a meaningful non-confidential summary as it includes the benefit amount which is commercially sensitive. Since disclosure of such information will damage the Applicant's interests, it was provided to the Service in confidence.*

4. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production or only certain products that have undergone research and development).\

**Answer:**

**[Confidential]**

*[The program details removed]*

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will damage the Applicant's interests, it was provided to the Service in confidence.*

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

**Answer:**

Yueling submitted the application to the relevant Government agencies. The Government agencies reviewed and approved the application, if Yueling meet the relevant criteria, it would receive the benefits.

6. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the GOC in relation to the program.

**Answer:**

Please refer to Exhibit I-2.6 for the required documents.

*[Application documents removed]*

*The above-referred information is not susceptible to a meaningful non-confidential summary as it includes the program details which are commercially sensitive. Since disclosure of such information will damage the Applicant's interests, it was provided to the Service in confidence.*

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

**Answer:**

**There are usually no fees charged for receiving the program.**

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

**Answer:**

**[Confidential]**

*[The program details omitted]*

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Since disclosure of such information will damage the Applicant's interests, it was provided to the Service in confidence.*

9. State whether your eligibility for the program was conditional on one or more of the following criteria:
- a) whether or not your business exports or has increased its exports;
  - b) the use of domestic rather than imported inputs;
  - c) the industry to which your business belongs; or
  - d) the region in which your business is located.

**Answer:**

**The eligibility for the program was not conditional on any of the above criteria.**

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

**Answer:**

**[Confidential]**

***[The program details omitted]***

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

11. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.

**Answer:**

**[Confidential]**

***[The program details omitted]***

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

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

**Answer:**

**The benefits under these grants can be found in the Non-operating ledger.**

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

**Answer:**

**Some of these programs can be renewed by a new application. Yueling needs to be qualified to get the benefit.**

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

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

**Answer:**

**All of these programs are one-time grants and are terminated.**

**Yueling is not aware to if these programs have been substituted by other programs.**

15. Identify the body responsible for administering the grant.

**Answer:**

[Confidential]

*[The program details omitted]*

*The above information is not susceptible to a meaningful non-confidential summary as it is commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

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

**Answer:**

Please refer to Exhibit I-2 for the date of receiving.

*[Grant list over the IP removed]*

*The above-referred information of Grant list over the IP is not susceptible to a meaningful non-confidential summary as it includes the program details which are commercially sensitive. Disclosure of such information will damage the Applicant's interests.*

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

**Answer:**

These grants were accounted for the Non-operating income ledger of financial statements.

**PART I-3      TARIFF AND VAT EXEMPTIONS ON IMPORTED  
MATERIALS AND EQUIPMENTS (PROGRAMS 31 AND 32)**

It is our understanding that certain enterprises in China are eligible for exemption from the payment of import duty and import VAT on imported inputs, technologies and equipments including the following identified programs

**Program 31:**Exemption of tariff and import VAT for imported technologies and equipments

**Program 32:**Full refund of VAT to FIEs on purchasing unused domestic equipment with currency in China

If your business or any company/entity related to your business received benefits under any such program during the period **1 July 2001 to 30 June 2011**, please answer the following questions.

1. Provide complete details involving the exemption of tariff and import VAT received, for any imported technologies and equipments.

**Answer:**

**NA**

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

**Answer:**

**NA**

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

**Answer:**

**NA**

4. Where applicable, provide copies of the application form or other documentation used to apply for these programs, all attachments and all contractual agreements entered into between your business and the GOC in relation to the program.

**Answer:**

**NA**

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

**Answer:**

**NA**

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

**Answer:**

NA

7. State whether your eligibility for these programs was conditional on one or more of the following criteria:

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

**Answer:**

NA

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

**Answer:**

NA

9. What records does your business keep regarding each of the benefits received under these programs? Provide copies of any records kept in relation to the program.

**Answer:**

NA

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

**Answer:**

NA



11. To your knowledge, do these programs still operate or have they been terminated?

**Answer:**

NA

12. If these programs have 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?

**Answer:**

NA

13. If any of these programs has been terminated and is being substituted for by another program, identify the program and answer all the questions in Part I-1 in relation to this programme.

**Answer:**

NA

14. Were the materials and/or equipment that were entitled to a refund of VAT used in the production of the goods during the investigation period? If yes, provide the following information:

- (a) type of inputs;
- (b) cost of inputs;
- (c) quantity of inputs; and
- (d) amount of VAT refunded.

Has your company received exemption from payment of or refunds of import duty and import VAT for imported material inputs including technologies and equipments

at any time that were used in the production of the goods during the investigation period? If yes, provide the following information:

- (a) description of imported product;
- (b) country of origin;
- (c) quantity of imported product;
- (d) purchase price;
- (e) terms of purchase (f.o.b., c.i.f., etc);

- (f) ocean freight;
- (g) value for duty of imported product;
- (h) regular rate of taxes and duties;
- (i) concessionary rate of taxes and duties;
- (j) amount of duties and taxes normally applicable;
- (k) amount of duties and taxes paid;
- (l) amount of duties and taxes exempt;
- (m) date of importation;
- (n) tariff classification number;
- (o) customs entry number; and
- (p) application fee.

**Answer:**

**NA**

15. Explain if (and how) the GOC determines which imported inputs are consumed by your business in the production of the subject goods and in what amounts, and the amount of duty paid or payable on the inputs (including any allowance for waste).

**Answer:**

**NA**

16. Explain how the GOC determined the percentage rate of duty exemption.

Please note that goods consumed in the production of exported goods (inputs) include:

- (a) goods incorporated into the exported goods; and
- (b) energy, fuel, oil and catalysts that are used or consumed in the production of the exported goods.

**Answer:**

**NA**

17. Provide a representative sample of copies of import entry documents (for example: bill of entry, invoice from supplier, etc.) for each type of importation covering duty-exempt inputs and duty-paid inputs imported for use in the manufacturing of the subject goods.

**Answer:**

**NA**

18. In addition to the import entry documents, you must also provide copies, if applicable, of any applications submitted to and/or approval document received from the GOC relating to the exemption from the payment of import duty and import VAT on imported inputs and in relation to the VAT that is refunded on the exportation of the subject goods.

Provide copies of reports and audits by the GOC authority responsible for administering the duty rebate or duty drawback scheme with respect to the verification of the importation and use of inputs and the remittance or drawback of the related duty paid or payable.

**Answer:**

**NA**

**PART I-4 ALUMINIUM PROVIDED BY GOVERNMENT AT LESS THAN FAIR MARKET VALUE (PROGRAM 1)**

The applicant claims that public bodies (in the form of state-owned enterprises (SOEs)) are supplying aluminium, directly or indirectly, to manufacturers of ARWs at less than fair value. Aluminium is defined as all forms of aluminium, whether in pure form or alloyed.

The term SOE defined in the glossary of this questionnaire.

In relation to this program, provide the following information.

1. Did your business or any company/entity related to your business receive any benefit under the above program during the period **1 July 2010 to 30 June 2011**?

**Answer:**

**Yueling and its related company didn't receive any benefit under the program in PART I-4 during the investigation period.**

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

**Answer:**

**Yueling purchases raw materials from SOEs and Non-SOEs, and purchases energy, electricity, water, and other utilities from SOEs.**

3. Provide a list, including a contact name and address, of all your suppliers of aluminium. Indicate whether the supplier is a SOE and whether they supply pure aluminium, aluminium alloy, or both.

**Answer:**

**Yueling didn't purchase pure aluminium but aluminium alloy ingots only.**

**Please refer to the Exhibit I-4.3 for the suppliers list.**

*The above-referred information of Supplier list is not susceptible to a meaningful non-confidential summary as it includes the clients' information which is commercially sensitive. Since disclosure of such information will damage the Applicant's interests, it was provided to the Service in confidence.*

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

Prepare this information in the attached spreadsheet named "**Aluminium Purchases**" included as part of the ARWS Exporter Questionnaire – CHINA – accompanying spreadsheet provided alongside this questionnaire.

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

**Answer:**

**Yueling didn't purchase pure aluminium but aluminium alloy ingots only.**

**Please refer to the Exhibit I-4.4 for the aluminium purchase data.**

*The above-referred information of Aluminium Purchases is not susceptible to a meaningful non-confidential summary as it includes the raw material price and quantity which are commercially sensitive. Since disclosure of such information will damage the Applicant's interests, it was provided to the Service in confidence.*

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

**Answer:**

**Yueling didn't receive any reduction/reduced price for the purchase aluminium alloy ingots during the investigation period.**

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

**Answer:**

**There is no assistance or benefits agreement between Yueling and the SOE suppliers. Yueling purchase the aluminium alloy ingots from SOE and Non-SOE suppliers according to the raw material's market situation.**

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

**Answer:**

**Yueling didn't import any raw materials during the investigation period.**

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

**Answer:**

Yueling didn't import any raw materials during the investigation period, so this question is not applicable.

## PART I-5 ANY OTHER PROGRAMS

If the GOC, any of its agencies or any other authorised body has provided any other benefit<sup>2</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 from Policy Banks at below-market interest rates; or
- any other form of assistance.

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).

**Answer:**

NA

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

**Answer:**

NA

3. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the GOC in relation to the program.

<sup>2</sup> Refer to the Glossary of Terms for a definition of benefit in this context.

**Answer:**

NA

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

**Answer:**

NA

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

**Answer:**

NA

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

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

**Answer:**

NA

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

**Answer:**

NA

8. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.

**Answer:**

NA

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

**Answer:**

NA

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

**Answer:**

NA

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

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

**Answer:**

NA



**浙江跃岭股份有限公司**

ZHEJIANG YUELING CO., LTD

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Add: North of Modern Road, Zeyun Town, Wenzhou City, Zhejiang Province, China

电话：TEL: 0576-86111791

E-MAIL: 0576-86111791

**SECTION J****EXPORTER'S DECLARATION**

I hereby declare that **ZheJiang YueLing Co., Ltd.** 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.

Name: Mr. LIN Xianming

Signature: 林仙明

Position in

Company : Chairman of the Board

Date: December 16, 2011

## SECTION K CHECKLIST

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

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

Electronic Data	Please tick if you have provided spreadsheet
INCOME STATEMENT	✓
TURNOVER – sales summary	✓
AUSTRALIAN SALES – list of sales to Australia	✓
DOMESTIC SALES – list of all domestic sales of like goods	✓
THIRD COUNTRY – third country sales	✓
PRODUCTION – production figures	✓
DOMESTIC COSTS – costs of goods sold domestically	✓
AUSTRALIAN COSTS – costs of goods sold to Australia	✓
ALUMINIUM PURCHASES – purchase cost of aluminium during the investigation period	✓
INCOME TAX – details of income tax paid for the last 3 financial years	<input type="checkbox"/>