



Australian Government
Australian Customs and
Border Protection Service

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International Trade Remedies Branch

EXPORTER QUESTIONNAIRE – TAIWAN, JAPAN, THE REPUBLIC OF INDONESIA AND THE REPUBLIC OF KOREA

PRODUCT CONCERNED: **HOT ROLLED PLATE STEEL FROM
THE PEOPLE'S REPUBLIC OF CHINA,
THE REPUBLIC OF KOREA, THE
REPUBLIC OF INDONESIA, JAPAN AND
TAIWAN**

INVESTIGATION PERIOD: **1 JANUARY TO 31 DECEMBER 2012**

RESPONSE DUE BY: **4 APRIL 2013**

ADDRESS FOR RESPONSE: **International Trade Remedies Branch
Australian Customs and Border Protection
Service
5 Constitution Avenue
Canberra act 2601
Australia
Attention: Director Operations 3**

CASE MANAGER: **Mr Mick Kenna & Mrs Michelle Gibson**
TELEPHONE: **+61-2-6275-6544 (Mick Kenna) +61-2-
6275-6129 (Michelle Gibson)**

FAX: **+61-2-6275-6990**
EMAIL: **itrops3@customs.gov.au**

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

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SECTION A - COMPANY STRUCTURE AND OPERATIONS

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

A-1 IDENTITY AND COMMUNICATION

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

Head office:

Name: *Congwun Jian (Hubert Jian)*
 Position in the company: *Administrator, Steel Trade Team, Division 1*
 Address: *31F, No. 8 Ming-Chuan 2nd Road Kaohsiung, Taiwan, Republic of China*
 Telephone: *+886-7-3322168 ext. 269*
 Facsimile number: *+886-7-3308148*
 E-mail address of contact person: *c01697@mail.csc.com.tw*

Factory:

Address:
 Telephone:
 Facsimile number:
 E-mail address of contact person:

China Steel Global Trading Corporation (CSGT) does not have our own factory. CSGT exported a small volume ([REDACTED] MT) of hot-rolled plates with [REDACTED] invoices to Australia during the period of investigation.

[REDACTED] [Plate steel production arrangements]

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:
 Organisation:
 Position:
 Address:
 Telephone:
 Facsimile/Telex number:
 E-mail address of contact person:

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.

Not applicable.

A-3 COMPANY INFORMATION

1. What is the legal name of your business?

China Steel Global Trading Corporation (CSGT).

What kind of entity is it (e.g. company, partnership, sole trader)?


CSGT is a company limited by shares established in accordance with the Company Law of Taiwan.

Please provide details of any other business names that you use to export and/or sell goods.

CSGT has no other business names.

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).




CSGT is a subsidiary of China Steel Corporation ("CSC"), which is also a publicly traded company and listed in Taiwan Stock Exchange.

Name of shareholder	Percentage of shareholding	Activity of shareholder
<i>China Steel Corporation (CSC)</i>		<i>Integrated Mill</i>

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

CSC is a publicly traded company and listed in the Taiwan Stock Exchange. As such, the holding of each shareholder may vary by trading in the stock market.

Based on the shareholders' roster dated 17 April 2012, only one shareholder owns more than 5% of CSC's shares as indicated below.

Name of shareholder	Percentage of shareholding	Activity of shareholder
		

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

Not applicable. CSC is not a subsidiary of another company.

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

Please refer to Exhibit A-3.5 for a chart showing CSGT's affiliated companies.

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

Not applicable.

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

CSGT is mainly a trading and distribution business unit, trading steel products, aluminium products, and other industrial materials.

[Redacted]
[Redacted] *[Plate steel production arrangements]*

In addition, CSGT is a also service entity that helps the companies under CSC group to locate overseas customers and CSGT would receive the service charge for the services provided.

8. If your business does not perform all of the following functions in relation to GUC, 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.

[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]
[Redacted]

[Plate steel production arrangements]

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



[Internal structure of CSGT]

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

Please refer to Exhibit A-3.10 for CSGT's board of Directors, Managing Directors and Senior Executives.

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

Please refer to:

Exhibit A-3.11.a for CSGT's audited unconsolidated financial statements for 2011 and 2010; and

Exhibit A-3.11.b for CSGT's company brochure.

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

- Suppling/selling completed or partially completed products.
- Suppling/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.



steel production arrangements]

[Plate

A-4 GENERAL ACCOUNTING/ADMINISTRATION INFORMATION

1. Indicate your accounting period.

Our normal corporate financial accounting period is calendar year (from January 1st to December 31st).

2. Indicate the address where the financial records are held.

The accounting records are kept at 31F, No. 8 Ming-Chuan 2nd Road Kaohsiung, Taiwan, Republic of China.

3. 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;

Please refer to Exhibit A-4.3.a for the chart of accounts of CSGT.

- audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);

The audited unconsolidated financial statement for year 2012 will not be published until mid-April 2013, thus CSGT will submit it later. Please refer to Exhibit A-3.11.a for CSGT's audited unconsolidated financial statements for 2011 and 2010.

- 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 investigation.

CSGT's internal income statements for years of 2012, 2011 and the two months of year in 2013 are provided in Exhibit A-4.3.c.

These documents should relate to:

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

In Exhibit A-4.3.c, CSGT provided the income statements by section, [REDACTED] is the unit involving for the GUC.

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 relevant taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

CSGT has the audited financial statements, 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.

Not applicable. CSGT's accounting practices are consistent with the General Accepted Accounting Principles (GAAP) of Taiwan.

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 (e.g. last in first out –LIFO, first in first out- FIFO, weighted average);

CSGT uses the actual costs to record the inventory of raw materials, work-in-process, and finished goods in its accounting processes.

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

CSGT records the costs based on the actual costs incurred, including purchase cost, tolling fee, and the concerned expenses.

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

Not applicable.

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

Not applicable.

- valuation and revaluation methods for fixed assets;

Not applicable.

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

Depreciation is calculated by the straight-line method over the service lives of equipment / assets ranged as follow: buildings, 50 years; and computers, 3 years.

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

Non-derivative foreign-currency transactions are recorded in New Taiwan dollars at the rates of exchange in effect when the transactions occur. Exchange differences arising from settlement of foreign-currency assets and liabilities are recognized in profit or loss.

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

At the balance sheet date, foreign-currency monetary assets and liabilities are re-valued using prevailing exchange rates and the exchange differences are recognized in profit or loss.

- inclusion of general expenses and/or interest;

CSGT does not capitalize general expenses or interests.

- provisions for bad or doubtful debts, and treatment thereof in your accounts;

Not applicable.

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

Not applicable.

- costs of plant closure;

Not applicable.

- restructuring costs;

Not applicable.

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

Not applicable.

- effects of inflation on financial statement information.

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.

Financial Instruments

Starting January 1, 2011, CSGT adopted the newly revised Statement of Financial Accounting Standards (SFAS) No. 34, "Financial Instruments: Recognition and Measurement." The main revisions include: (1) finance lease receivables impairment are now covered by SFAS No. 34; (2) the scope of the applicability of SFAS No. 34 to insurance contracts is amended; (3) loans and receivables originated by the enterprise are now covered by SFAS No. 34; (4) additional guidelines on impairment of financial assets carried at amortized cost when the debtor has financial difficulties and the terms of obligations have been modified; and (5) accounting treatment by a debtor for modifications in the terms of obligations. This accounting change did not have a significant impact on the financial statements as of and for the year ended December 31, 2011.

A-5 INCOME STATEMENT

Complete the spreadsheet entitled '**Income statement**' within the Exporter questionnaire – *Hot Rolled Plate Steel – Taiwan, Japan, Indonesia & Korea* – accompanying spreadsheet provided alongside this questionnaire.

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

Explain how costs have been allocated between all products and the GUC within these calculations.

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.

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.

Please see Exhibit A-5 for CSGT's income statement spreadsheet.

If the costs can be identified directly, such costs would be aggregated on an actual basis. As for indirect costs, the costs would be allocated to the GUC based on turnover.

A-6 SALES

Complete the spreadsheet entitled '**Turnover**' within the *Hot Rolled Plate Steel Exporter Questionnaire – Taiwan, Japan, Indonesia & Korea* – accompanying spreadsheet provided alongside this questionnaire.

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

In completing the sheet, use the currency in which your accounts are kept. This information will be used to verify the cost allocations to the GUC 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.

Please see Exhibit A-6 for Turnover spreadsheet.

A-7 PRODUCTION PROCESS AND CAPACITY

1. In addition to manufacturing hot rolled plate steel, does your company manufacture any of the raw materials used in the production of the plate steel? (e.g. HRC or steel slab) Please list all raw materials manufactured by your company.

CSGT does not manufacture any of the raw materials of the GUC, thus this question is not applicable.

2. Describe the production process for the GUC. If there is more than one production process, describe each production process. Provide a flowchart of the process/es. 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.

Not applicable. As mentioned above,



[Plate steel production arrangements]

3. Complete the spreadsheet entitled '**Production**' within the *Hot Rolled Plate Steel Exporter Questionnaire – Taiwan, Japan, Indonesia & Korea* – accompanying spreadsheet provided alongside this questionnaire.'

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

As explained, this question is not applicable.

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 another level (e.g. ex factory).

You should report prices of all GUC 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 explanation 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.*

In addition, if you have reported that the date of sale is not the invoice date, you should provide information on the lead times for domestic and export sales (from order confirmation to fulfilment), lead-time differences in raw material purchasing and delivery and/or in the production rolling schedules, so far as those differ between export and domestic sales.

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

CSGT only shipped goods to the following Australian customer during the POI:

- name;

[REDACTED]

- address;

[REDACTED]

[REDACTED]

[REDACTED]

- contact name and phone/fax number where known; and

[REDACTED]

[REDACTED]

[REDACTED]

- trade level (for example: distributor, wholesaler, retailer, end user, original equipment).



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.

Having decided to accept an order from the customer, CSGT sends a sales confirmation to the customer.

Following the sales confirmation, CSGT would either purchase hot-rolled plates or purchase hot-rolled coils from CSC which it then arranges to have cut and flattened into hot-rolled steel plates by other mills. As soon as the payment is received from the customer, CSGT ships the merchandise to the customer, along with the commercial invoice and shipping documents. Please refer to CSGT-Exhibit B-2.a Chart of Distribution Channel (Australia Market).

- (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.

 [Comment on commission]

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



[Delivery terms and terms of trade]

- (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).

CSGT does not have any agency or distributor agreements in relation to its export sales to the Australian market.

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

For Australia sales, after completing the price negotiation with the customer, a sales contract will be sent to the customer to confirm the

quantities, prices and the delivery schedule for the ordered products. The goods will be shipped to the customers along with the commercial invoice and other shipping documents.

[Redacted] [Price negotiation]

[Redacted] [Price negotiation]

Prices are typically established and agreed for export sales [Redacted] [Timing of price negotiations]. Please see Exhibit B-2.e Flowchart of Sales Process (Australia Market).

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

CSGT is not related to its Australian customer.

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

Please refer to Exhibit B-2.g List of Forward Orders.

- 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.

There was only one channel for export sales to Australia during the IP.

- B-4** Complete the spreadsheet entitled 'Australian sales' within the *Hot Rolled Plate Steel Exporter Questionnaire – Taiwan, Japan, Indonesia & Korea* – accompanying spreadsheet provided alongside this questionnaire.

This spreadsheet is to list **all** shipments (*i.e. transaction by transaction*) to Australia of the GUC (do not include non-GUC items) in the investigation period.

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

The below table provides information as to what is meant by each column heading within the spreadsheet.

Column heading	Explanation
Customer name	names of your customers

Level of trade	the level of trade of your customers in Australia
Model/type	commercial model or type
Plate surface	Surface of the plate - patterns in relief Yes/No
Product code	code used in your records for the model/grade/type identified. Explain all product codes in your submission.
Thickness (mm)	Thickness measured in millimetres of the steel plate
Width (mm)	Width measured in millimetres of the steel plate
Length (mm)	Length of the steel plate
Trimmed edge or untrimmed edge	Identify if the edges of the steel plate are trimmed or untrimmed
Grade	Identify the grade of the steel plate, e.g. 250/350/450 MPa
Low temperate tested	Low temperature (Charpy) tested, and if so, tested to what temperature.
High temperature (tensile) tested	Indicate if the steel plate has undergone high temperature (tensile) testing.
Through thickness (tensile) tested	Indicate if the steel plate has undergone through thickness (tensile) testing.
Ultrasonic tested	Indicate if the steel plate has undergone ultrasonic testing and if yes to what quality level.
Prime or non-prime	Identify if the steel plate is prime product or non-prime
Standard	Identify the standard that the steel plate has been produced to (e.g. Australian Standard, Japanese Standard, British Standard)
Order number	Order number
Date of order confirmation	Date order is confirmed
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.
Shipping terms	Delivery terms e.g. CIF, C&F, FOB, DDP (in accordance with Incoterms)
Payment terms	agreed payment terms e.g. 60 days=60 etc
Quantity	Quantity in units shown on the invoice. Show basis e.g. kg.
Gross invoice value	gross invoice value shown on invoice <i>in the currency of sale, excluding taxes.</i>
Discounts	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.
Rebates	The amount of any deferred rebates or allowances paid to the importer in the currency of sale.
Other charges	any other charges, or price reductions, that affects 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	the net invoice value expressed in your domestic currency as it is entered in your accounting system
Other discounts	The actual amount of discounts not deducted from the invoice. Show a separate column for each type of 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*	any other costs, charges or expenses incurred in relation to the exports to Australia (include additional columns as required). See question B5.

Notes

** FOB export price and Ocean Freight:

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

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

Freight allocations must be checked for consistency.

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

Please refer to CSGT-Exhibit B-4 Australian Sales.

- 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 within the 'Australian sales' spreadsheet (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.

CSGT does not have other costs, charges or expenses incurred in respect of the exports.

- B-6** For each type of discount, rebate, or 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.

No discounts, rebates or allowances were offered by CSGT on export sales to Australia.

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

No credit notes were issued by CSGT on export sales to Australia.

- B-8** If the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (e.g. 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 and Border Protection brokers, port and other costs incurred (itemise)

Not applicable.

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

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

- letter of credit, and bank documentation, proving payment.

Please refer to CSGT-Exhibit B-9 for the documentation in relation to the only two shipments made to Australia during the POI.

[REDACTED]

[REDACTED]

[Invoice numbers]

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

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.

During the POI, the specifications of the GUC CSGT exported to Australia are [REDACTED]

Also, please refer to the mill certificates related to the GUC, issued by CSC, provided in CSGT-Exhibit C-1.

- C-2** List each model/type of the good exported to Australia (these models should cover all models listed in spreadsheet “**Australian Sales**” – See section B of this questionnaire).

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

- C-3** If you sell like goods on the domestic market, for each model/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 (i.e. the like goods – see explanation in glossary) are not identical to the goods exported to Australia.

CSGT does not sell any like goods in the domestic market. This question is not applicable.

This should be done by completing the spreadsheet entitled ‘**Like goods**’ within the *Hot Rolled Plate Steel Exporter Questionnaire – Taiwan, Japan, Indonesia & Korea*’ – accompanying spreadsheet provided alongside this questionnaire, detailing as follows:

EXPORTED MODEL	DOMESTIC MODEL	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

- 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.

CSGT does not sell any like goods in the domestic market. This question is not applicable.

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 of like goods to the GUC 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 Manager **before** completing the questionnaire.*

If the Case Manager 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 Manager who will explain the information Customs and Border Protection requires for determining a normal value using alternative methods.

In addition, if you have reported that the date of sale is not the invoice date, you should provide information on the lead times for domestic and export sales (from order confirmation to fulfilment), lead-time differences in raw material purchasing and delivery and/or in the production rolling schedules, so far as those differ between export and domestic sales.

Due to the fact that CSGT did not sell any like goods to the GUC during the investigation period, this section is completely inapplicable in CSGT's case.

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.

Not applicable.

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

Not applicable.

- 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.

Not applicable.

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

- D-4** Complete the spreadsheet entitled '**Domestic sales**' within the *Hot Rolled Plate Steel Exporter Questionnaire – Taiwan, Japan, Indonesia & Korea* – accompanying spreadsheet provided alongside this questionnaire.

Not applicable.

This spreadsheet is to list **all domestic sales of like goods** (i.e. transaction by transaction) in the investigation period (do not include non-GUC items).

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

The below table provides information as to what is meant by each column heading within the spreadsheet.

Column Heading	Explanation
Customer name	names of your customers. If an English version of the name is not easily produced from your automated systems show a customer code number and in a separate table list each code and name.
Level of trade	the level of trade of your domestic customer
Model/type	commercial model or type
Plate surface	Surface of the plate - patterns in relief Yes/No
Product code	code used in your records for the model/grade/type identified. Explain the product codes in your submission.
Thickness (mm)	Thickness measured in millimetres of the steel plate
Width (mm)	Width measured in millimetres of the steel plate
Length (mm)	Length of the steel plate
Trimmed edge or untrimmed edge	Identify if the edges of the steel plate are trimmed or untrimmed
Grade	Identify the grade of the steel plate, e.g. 250/350/450 MPa
Low temperate tested	Low temperature (Charpy) tested, and if so, tested to what temperature.

High temperature (tensile) tested	Indicate if the steel plate has undergone high temperature (tensile) testing.
Through thickness (tensile) tested	Indicate if the steel plate has undergone through thickness (tensile) testing.
Ultrasonic tested	Indicate if the steel plate has undergone ultrasonic testing and if yes to what quality level.
Prime or non-prime	Identify if the steel plate is prime product or non-prime
Standard	Identify the standard that the steel plate has been produced to (e.g. Australian Standard, Japanese Standard, British Standard)
Order number	show order confirmation number
Date of order confirmation	Date order is confirmed
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.
Delivery terms	e.g. ex factory, free on truck, delivered into store
Payment terms	payment terms agreed with the customer e.g. 60 days=60 etc
Quantity	quantity in units shown on the invoice e.g. kg.
Gross Invoice value	gross value shown on invoice <i>in the currency of sale</i> , net of taxes.
Discounts	the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Rebates	The amount of any deferred rebates or allowances paid to the importer in the currency of sale.
Other charges	Any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide a description.
Net invoice value	the net invoice value expressed in your domestic currency as recorded in your accounting system
Other discounts	The actual amount of discounts not deducted from the invoice. Show a separate column for each type of discount.
Packing*	packing expenses
Inland transportation Costs*	amount of inland transportation costs included in the selling price.
Handling, loading And ancillary Expenses*	handling, loading & ancillary expenses.
Warranty & Guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services such as technical assistance or installation costs.
Commissions*	commissions paid. If more than one type is paid insert additional columns of data.
Other factors*	any other costs, charges or expenses incurred in relation to the domestic sales (include additional columns as required). See question D5.

Notes

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

- 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.

Not applicable.

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

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

Not applicable.

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

Not applicable.

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.

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

Not applicable.

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

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 (i.e. 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.

Inland freight has been reported on an actual basis and allocated by quantity for the goods shipped in the same shipment.

The general ledger account of inland freight for export sales is provided in Exhibit E-1.1.b.

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.

The handling charges reported by CSGT in Exhibit B-4 are as follows:

For in-land freight charge, THC, brokerage fee, notary fee, harbour service fee, and trade promotion fee, CSGT reports the actual expenses (NTD) by taking the actual NTD expense per shipment, divided by all product types delivered in the same shipment by weight.

For bank charges, CSGT reports the actual bank charge (NTD) incurred per shipment.

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 e.g., 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.

[REDACTED] [Credit terms]. The payment term of CSGT's Australian sales during the IP was [REDACTED]

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**'.

Packing materials and labour costs are included in the tolling fee CSGT paid to the toller and would be included in Exhibit G-4.a Australia CTMS. Therefore, CSGT did not report packing costs as an adjustment item in Exhibit B-4.

5. **Commissions**

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

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

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

Not applicable.

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

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

Not applicable.

7. **Other factors**

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

Not applicable.

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 investigation period (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.

Not applicable. CSGT does not claim a currency conversion adjustment.

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.

As stated above, because CSGT did not sell any GUC in the domestic market during the POI, the following questions in relation to costs associated with domestic sales are not applicable.

1. Physical characteristics

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

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

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

Not applicable.

2. Import charges and indirect taxes

If exports to Australia:

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

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

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

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 please provide **full** details about the operation of the scheme as well as providing the information requested above.

Not applicable.

3. Level of trade

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

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

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.

Not applicable.

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,¹ 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:

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

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.

Not applicable.

6. Handling, loading and ancillary expenses

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

Not applicable.

7. Packing

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

Not applicable.

8. Commissions

For any commissions paid in relation to the domestic sales:

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

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

Not applicable.

9. Warranties, guarantees, and after sales services

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

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.

Not applicable.

E-3 DUPLICATION

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

For example:

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

Separate adjustment items must avoid duplication.

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

Not applicable.

SECTION F - EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA

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.

Because CSGT did not export any GUC to other countries than Australia during the POI, the following questions in Section F are not applicable.

F-1 Complete the spreadsheet entitled 'Third country sales' within the *Hot Rolled Plate Steel Exporter Questionnaire – Taiwan, Japan, Indonesia & Korea* – accompanying spreadsheet provided alongside this questionnaire.

This spreadsheet is to list **all export sales of like goods** (i.e. transaction by transaction) to countries other than Australia in the investigation period (do not include non-GUC items).

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

The below table provides information as to what is meant by each column heading within the spreadsheet.

Column heading	Explanation
Country	Name of the country that you exported like goods to over the investigation period.
Number of customers	The number of different customers that your company has sold like goods to in the third country over the investigation period.
Level of trade	The level of trade that you export like goods to in the third country.
Model/grade/type	Commercial model/grade or type
Thickness (mm)	Thickness measured in millimetres of the steel plate
Width (mm)	Width measured in millimetres of the steel plate
Length (mm)	Length of the steel plate
Trimmed edge or untrimmed edge	Identify if the edges of the steel plate are trimmed or untrimmed
Grade	Identify the grade of the steel plate, e.g. 250/350/450 MPA
Prime or non-prime	Identify if the steel plate is prime product or non-prime
Standard	Identify the standard that the steel plate has been produced to (e.g. Australian Standard, Japanese Standard, British Standard)
Quantity	Indicate quantity, in units, exported to the third

	country over the investigation period.
Unit of quantity	Show unit of quantity e.g. 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 e.g. 60 days=60 etc
Shipment terms	Typical shipment terms to customers in the third country e.g. CIF, FOB, ex-factory, DDP etc.

Not applicable.

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

Not applicable.

SECTION G - COSTING INFORMATION AND CONSTRUCTED VALUE

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

- testing the profitability of sales of like goods on the domestic market;
- determining a constructed normal value of the GUC - i.e. 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 (GUC) 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 (e.g. 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-2. 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.

CSGT's cost accounting system adopts the actual cost system.

Our cost accounting system is an integral part of our financial accounting system used for the audited financial statements.

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

Not applicable. CSGT's cost accounting system is not based on standard costs.

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

Not applicable. There were no significant or unusual cost variances that occurred during the IP.

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

Please refer to Exhibit G-2 for the list of profit center. The profit center related to the GUC is [REDACTED]

5. For each profit/cost centre describe in detail the methods that your company normally uses to allocate costs to the GUC. 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.

In CSGT's ordinary cost accounting system, costs are tracked and cumulated at profit centres on an aggregate, actual basis.

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

CSGT aggregates the cost by specific raw material and its related cost, such as processing cost and transportation charges if any. Indirect costs are allocated to different product groups by number of personnel and expenses are allocated by turnover.

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

Not applicable. CSGT's cost accounting system is an integral part of its financial accounting system, and the methods for cost and financial accounting purposes are the same.

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

Not applicable.

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

Not applicable.

G-3 COST TO MAKE AND SELL ON DOMESTIC MARKET

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

1. Complete the spreadsheet entitled '**Domestic CTMS**' within the *Hot Rolled Plate Steel Exporter Questionnaire – Taiwan, Japan, Indonesia & Korea* – accompanying spreadsheet provided alongside this questionnaire.

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

In doing so, provide the actual unit cost to make and sell each model/type (identified in Section C) of the like goods sold on the domestic market.

Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.

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.

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

Please specify unit of currency.

Because CSGT did not sell any GUC in the domestic market during the POI, this question is not applicable.

G-4 COST TO MAKE AND SELL GOODS UNDER CONSIDERATION (GOODS EXPORTED TO AUSTRALIA)

Complete the spreadsheet entitled '**Australian CTMS**' within the *Hot Rolled Plate Steel Exporter Questionnaire – Taiwan, Japan, Indonesia & Korea* – accompanying spreadsheet provided alongside this questionnaire.

Provide the completed spreadsheet in electronic format on CD-ROM (or via email) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

In doing so, provide the actual unit cost to make and sell each model/type (identified in Section C) of the like goods sold on the domestic market.

Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.

² Customs and Border Protection 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.

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.

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

Please specify unit of currency.

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

Please see Exhibit G-4 for Australia CTMS.

The SGA and other expenses calculation worksheet is provided at Exhibit G-5.

- G-5** 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.

Because CSGT did not sell any GUC in the domestic market during the POI, this question is not applicable.

- G-6** 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.

There are no significant differences between the cost shown and the cost on CSGT's general accounting system.

- G-7** In calculating the unit cost to make and sell, provide an explanation if the allocation method used (e.g. number, or weight etc) to determine the unit cost differs from the prior practice of your company.

CSGT calculate the unit cost to make and sell by sale quantity.

- G-8** 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 (e.g. 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 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.

If the major input is purchased or supplied from an integrated production process you should provide detailed information on the full costs of production of that input.

[Redacted]

[Raw material prices]

- G-9** Complete the attached spreadsheet entitled '**Raw Material Purchases**' within the *Hot Rolled Plate Steel Exporter Questionnaire – Taiwan, Japan, Indonesia & Korea* – accompanying spreadsheet provided alongside this questionnaire (i.e. transaction by transaction) for all purchases of hot rolled coil, steel slab, coking coal and coke. Provide the completed spreadsheet in electronic format with your response.

(NB if your company is purchasing more than one material type (HRC, steel slab, coking coal and coke), please provide your responses in separate spreadsheets).

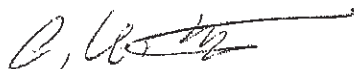
Please refer to Exhibit G-9 for Raw Material Purchases.

SECTION H – EXPORTER/PRODUCER'S DECLARATION

I hereby declare that China Steel Global Trading Corporation did, during the investigation period export the GUC 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 : C.K.Cheng

Signature:



Position in Company :Vice President

Date : 1st of April, 2013

SECTION I - CHECKLIST

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

Section	Please tick if you have responded to all questions
Section A – general information	V
Section B – export price	V
Section C – like goods	V
Section D – domestic price	V
Section E – fair comparison	V
Section F – exports to third countries	V
Section G – costing information	V
Section H - declaration	V

Electronic Data	Please tick if you have provided spreadsheet
HRC & STEEL SLAB PURCHASES – purchase cost of Hot Rolled Coil and Steel Slab during the investigation period	V
RAW MATERIAL PURCHASES – purchase cost of raw materials during the investigation period	V
INCOME STATEMENT	V
TURNOVER – sales summary	V
AUSTRALIAN SALES – list of sales to Australia	V
DOMESTIC SALES – list of all domestic sales of like goods	Not applicable.
THIRD COUNTRY – third country sales	Not applicable.
PRODUCTION – production figures	Not applicable.
DOMESTIC COST TO MAKE & SELL – costs of goods sold domestically	Not applicable.
AUSTRALIAN COST TO MAKE & SELL – costs of goods sold to Australia	V