

11 June 2026

Director  
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Dear Director,

**Public File**

**Accelerated Review No. 701 – Aluminium Extrusions exported from China**

**I. Introduction**

Capral Limited (**Capral**) refers to Accelerated Review inquiry 701 (**REV 701**)<sup>1</sup> and makes the following submission regarding the exporter questionnaire response (**EQR**) provided by the Chinese applicant exporter *Guangdong Guangyuan Aluminum Co Ltd* (**Guangyuan**).

**II. Unaudited 2025 financials and absence of 2025 tax return**

Guangyuan's 2025 financial accounts have not been audited (Section A-3.2) and its 2025 income tax return has not been filed (Section I-3). The domestic cost-to-make data in Section G-3, the SG&A reconciliation in Section G-8, and the subsidy data in Section I are therefore sourced from unaudited management accounts for the CY2025 review period. Capral submits that this may materially impair the reliability of all cost, profit and subsidy data disclosed in the EQR.

Capral submits that the Commission request Guangyuan provide audited 2025 financial statements and its completed 2025 tax return as soon as they are available, and that the Commission should defer placing material reliance on the unaudited cost and subsidy data until those documents are received and assessed.

**III. Normal value deficiencies**

Capral identifies the following deficiencies in the normal value data provided by Guangyuan:

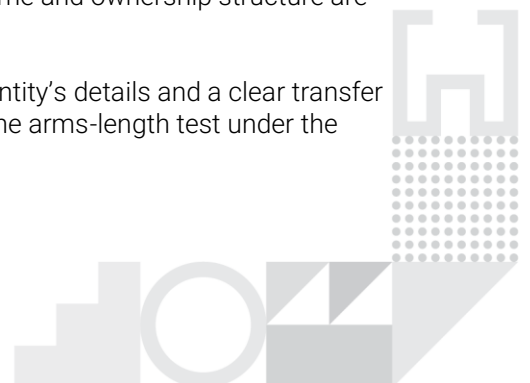
Related parties

Section D-1.2 confirms that one domestic customer is related to Guangyuan. The identity of that entity is redacted throughout the EQR. Section A-4.1 discloses that the related company is involved in the sale of the goods and that its financial statements have been provided as exhibits, but the entity's name and ownership structure are withheld.

Capral submits that the Commission should require disclosure of the related entity's details and a clear transfer pricing analysis to assess whether domestic sales through that entity satisfy the arms-length test under the statute.

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<sup>1</sup> Refer ADN 2026/038.



#### Cost accounting by surface treatment only – MCC relevance

Guangyuan's cost accounting system records production costs at the level of surface treatment only (Section G-2.5). Labour and manufacturing overheads are allocated by production volume across surface treatment categories, with no differentiation by alloy code or temper (Section G-6). The G-3 domestic CTM note further confirms that the reported figures represent total production costs for all aluminium extrusions rather than costs segmented by MCC.

Without alloy-level cost differentiation, the Commission will face difficulty performing MCC matching. Capral requests that the Commission require Guangyuan provide cost data separated by alloy code within each surface treatment category.

#### Electrophoresis finish – MCC relevance

Guangyuan produces aluminium extrusions with an electrophoresis surface treatment, which is not within the Commission's MCC Finish category. Rather than lodging a formal submission, Guangyuan has noted its approach (coding these products as "O" for Other) only in the checklist text box.

The MCC instructions require that models not aligning with the MCC structure be documented by formal submission as soon as practicable.<sup>2</sup> The informal checklist entry does not satisfy this requirement.

Capral submits that the Commission require Guangyuan to lodge a formal submission addressing the appropriate treatment of electrophoresis products and their classification.

#### Purchased finished goods misclassified as production costs

The G-8 upwards costs reconciliation discloses that Guangyuan incorrectly recorded externally purchased finished aluminium extrusions as "Production Cost – Direct Materials". These goods were in fact directly resold after purchase and were not used in production. The extent of this misclassification is described as "a small quantity".

Capral submits that the Commission should require Guangyuan to quantify the misclassified trading activity and provide a revised cost reconciliation that excludes it from the cost to make.

### **IV. Countervailing deficiencies**

On countervailing, Capral identifies the following deficiencies in Guangyuan's EQR response:

#### Preferential tax program – 2025 data absent

Section I-3.5 confirms that Guangyuan applied a reduced corporate income tax rate during the period. The name and applicable rate of the program are redacted in the EQR.

The details of the response are consistent with the High and New Technology Enterprise (HNTE) regime (Program 47), found countervailable in Review 609.<sup>3</sup> Because the 2025 income tax filing has not been completed, the I-3 income tax worksheet only covers financial years 2022 to 2024. The Commission therefore cannot determine the subsidy amount for the CY2025 review period.

<sup>2</sup> Under ADN 2026/038, initial submissions were due by 2 May 2026. EQR instructions (at p. 10 of the EQR in this case) specifically require that: *If there are models manufactured and sold by your company that do not align within the MCC structure above, this should be raised by lodging a submission with the commission as soon as is practicable, but no later than the time this questionnaire is due, otherwise the response may be considered deficient.*

<sup>3</sup> See [https://www.industry.gov.au/sites/default/files/adc/public-record/2024-07/609\\_-\\_041\\_-\\_report\\_-\\_final\\_report\\_-\\_rep\\_609.pdf](https://www.industry.gov.au/sites/default/files/adc/public-record/2024-07/609_-_041_-_report_-_final_report_-_rep_609.pdf) at p. 134.

Capral submits that the Commission should require disclosure of the program name and the provision of 2025 income tax data as soon as the filing is complete.

Self-reported grants – incomplete program-by-program responses

Section I-4.3.b confirms Guangyuan received grants not listed in the Review 609 countervailable programs table.<sup>4</sup> Guangyuan has provided limited disclosure to the I-4 Grant worksheet summary on the basis that these programs represent a small proportion of revenue.

Capral submits that the disclosures are inadequate. The questionnaire requires full program-by-program responses under I-4.4 (eligibility, application process, application forms, approval correspondence, bank statements and journal entries) regardless of Guangyuan's own assessment of materiality.

Capral requests a deficiency notice requiring complete I-4.4 responses for all self-reported grant programs.

Preferential loans

Guangyuan has completed the I-5 Preferential Loans worksheet but has prefaced it with an approximately four-page WTO legal argument contesting the inclusion of preferential loans in the review, arguing lack of preferential nature, lack of specificity under SCM Agreement Articles 2.1(a)–(c), and inconsistency with the Commission's prior practice in earlier reviews.

Capral notes that the Commission's obligations are governed by the *Customs Act 1901*. Capral submits that the Commission should proceed to assess the specificity and benefit of the loans at issue under Australian domestic law, without regard to Guangyuan's pre-emptive WTO-related arguments.

Less Than Adequate Remuneration (LTAR – Program 15)

Program 15 (aluminium provided at less than adequate remuneration) was found as countervailable in Review 609.<sup>5</sup> Section I-2 of the EQR requires an explanation and evidence supporting the categorisation of each raw material supplier as a State Invested Enterprise (SIE) or otherwise.

Guangyuan asserts that all billet suppliers are non-SIEs but provides no supplier names, no business registration evidence and no ownership analysis.

Capral submits that the Commission should require Guangyuan to identify its aluminium billet suppliers and provide evidence of their ownership structures to enable a proper LTAR assessment.

**V. Public record sufficiency**

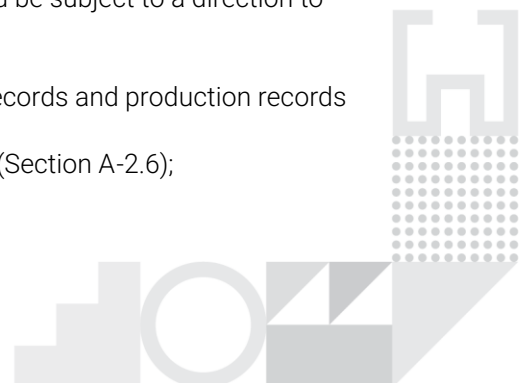
The EQR contains extensive redaction of information using “[Commercially Sensitive Information: ...]” brackets. The Commission's EQR instructions require the non-confidential version to contain sufficient detail to allow a reasonable understanding of the substance of the information without breaching confidentiality.

In Capral's view, the following redactions do not meet that standard and should be subject to a direction to resubmit:

- a. the geographic location of Guangyuan's production facility, financial records and production records (Sections A-1.3–A-1.5);
- b. the shareholding percentages of the two natural person shareholders (Section A-2.6);

<sup>4</sup> Ibid, beginning p. 133.

<sup>5</sup> Ibid, p. 133-134.



- c. the inventory valuation method (FIFO, LIFO or weighted average) (Section G-2.8); and
- d. details of the related domestic customer (Sections A-4.1 and D-1.2).

Capral notes further that Section F-1.1 (third country sales process) has been answered “Not applicable” by reference to the absence of *Australian* sales, despite the question asking about *third country* sales processes.

This is plainly relevant given Guangyuan does export to third countries, by virtue of it responding to the third country date of sale question, and providing a third country sales listing.

This may be a template drafting error. Similarly, the reference to “D-2 Australian sales” in the D-3.2 document annotation note is an error (Section D-2 is the domestic sales listing). Capral draws these errors to the Commission’s attention as indicative of the care with which the EQR was prepared.

## VI. Conclusion

Capral respectfully submits that the Guangyuan EQR contains various and significant deficiencies. The matters raised above equate to an EQR that does not provide a reliable basis for determining a normal value, export price, dumping margin or subsidy margin for the exporter.

Capral requests that the Commission issue deficiency notices in respect of the matters identified in this submission, and where data remains unverified or deficiencies are not rectified within a reasonable time, make findings of non-cooperation and determine the dumping and subsidy margins having regard to all relevant information available.

If you have any questions concerning this submission, please do not hesitate to contact Capral’s representative Mr Chad Uphill on 0412 377 603.

Yours sincerely

