



## Exporter Questionnaire

**Product:** Alloy Round Steel Bars

**From:** China

**Period of Investigation:** 1 October 2015 - 30 September 2016

**Response due by:** 16 February 2017

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

**Investigation case manager:** Mayuran Jeyarajah

**Phone:** +61 3 8539 2477

**Fax:** +61 3 8539 2499

**E-mail:** operations1@adcommission.gov.au

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

**Return completed  
questionnaire to:**

Operations1@adcommission.gov.au

OR

Anti-Dumping Commission  
GPO Box 1632  
Melbourne  
Victoria 3000  
Australia

Attention: Director Operations 1

## 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:*

*Company Name: Jiangsu Yonggang Group Co., LTD. ("Yonggang Group")*  
*Address: Yonglian Industrial Park,, Zhangjiagang City, Jiangsu, China, 215628*  
*Website: www.yong-gang.com*  
*Contact persons and their functions: [LIMITED]*  
*Telephone: [LIMITED]*  
*Facsimile number: [LIMITED]*  
*E-Mail: [LIMITED]*

*Factory:*

*Company Name: Jiangsu Yonggang Group Co., LTD. ("Yonggang Group")*  
*Address: Yonglian Industrial Park,, Zhangjiagang City, Jiangsu, China, 215628*  
*Website: www.yong-gang.com*  
*Contact persons and their functions: [LIMITED]*  
*Telephone: [LIMITED]*  
*Facsimile number: [LIMITED]*  
*E-Mail: [LIMITED]*

### 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: *John Bracic*  
Address: *PO Box 3026, Manuka, ACT 2603*  
Telephone: *+61 (0)499 056 729*  
E-mail address of contact person: *john@jbracic.com.au*

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

### **A-3 Company information**

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

**Answer:**

**The Legal name is Jiangsu Yonggang Group Co., LTD, which is hereinafter referred as “Yonggang Group” or the “Company”. The legal form of Yonggang Group is limited company.**

**Yonggang Group is the manufacturer and exporter of the product concerned.**

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 Table A-3.2 [LIMITED] in the spreadsheet for the detailed information.**

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

**Answer:**

**Please refer to Table A-3.2 [LIMITED] in the spreadsheet for the detailed information.**

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

**Answer:**

**Please refer to Table A-3.2 [LIMITED] in the spreadsheet for the detailed information.**

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

**Answer:**

**Please refer to Table A-3.5 [LIMITED] in the spreadsheet for the detailed information.**

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

**Answer:**

**[LIMITED]**

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

**Answer:**

**Yonggang Group is the manufacturer and exporter of the product concerned.**

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:**

**Yonggang Group performs all the above activities.**

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

**Answer:**

**Yonggang Group performs all the above activities.**

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

**Answer:**

Please refer to response to [Exhibit A-4.1 Audit Report \[LIMITED\]](#).

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

1. Indicate your accounting period.

Answer:

**The accounting period is from 1st January to 31st December.**

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

Answer:

**Please refer to the address listed in responses to question A-3.1[LIMITED], all the records are kept the address listed above.**

3. Please provide the following financial documents for the two most recently completed financial years plus all subsequent monthly, quarterly or half yearly statements:
  - chart of accounts;
  - audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);
  - internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods under consideration.

These documents should relate to:

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

Answer:

**Please refer to response to [Exhibit A-4.1 Audit Report \[LIMITED\]](#) and [Exhibit A-4.3 Chart of Accounts](#).**

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:

**Not applicable. Yonggang Group has audited accounts.**

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

**Answer:**

**Not applicable. The accounting practices of Yonggang Group are in accordance with the PRC GAAP.**

6. Describe:

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

- the method of valuation for raw material, work-in-process, and finished goods inventories (e.g. last in first out –LIFO, first in first out- FIFO, weighted average);
- 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);
- valuation methods for damaged or sub-standard goods generated at the various stages of production;
- valuation methods for scrap, by products, or joint products;
- valuation and revaluation methods for fixed assets;
- average useful life for each class of production equipment and depreciation method and rate used for each;
- treatment of foreign exchange gains and losses arising from transactions;
- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;
- inclusion of general expenses and/or interest;
- provisions for bad or doubtful debts;
- expenses for idle equipment and/or plant shut-downs;
- costs of plant closure;

- restructuring costs;
- by-products and scrap materials resulting from your company's production process; and
- effects of inflation on financial statement information.

Answer:

Please refer to [Exhibit A-4.1 Audit Report \[LIMITED\]](#), all the related information are reflected in the notes of the audit reports.

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

Answer:

Not applicable to Yonggang Group, there is no change of accounting method in the last two year [LIMITED].

**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.

*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 Income Statements \[LIMITED\]](#).

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:

Answer:

Please refer to [Exhibit A-6 Turnover \[LIMITED\]](#).

## SECTION B SALES TO AUSTRALIA (EXPORT PRICE)

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

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

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

*the sale date is not the invoice date (see 'date of sale' column in question B4 below) and;  
an alternative date should be used when comparing export and domestic prices*

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

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

name;  
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 Contact of the Australian Customer \[LIMITED\]](#).

**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.
- (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.



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

Answer:

[LIMITED]

**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:

[LIMITED]

**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:

Answer:

Please refer to Exhibit B-4 Australian Sales [LIMITED].

**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:**

**Yonggang Group has provided all the allowances occurred of the transactions.**

**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:**

**[LIMITED]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:**

**[LIMITED]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:**

**[LIMITED]This question is 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:

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

The Commission will select additional shipments for payment verification at the time of the visit.

**Answer:**

**Please refer to Exhibit B-9 Sample Export Documents [LIMITED].**

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## SECTION C EXPORTED GOODS & LIKE GOODS

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

Answer:

Please refer to [Exhibit B-4 Australian Sales \[LIMITED\]](#), all the key specification details are listed in Exhibit B-4 [LIMITED].

**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 B-4 Australian Sales \[LIMITED\]](#), all the key specification details are listed in Exhibit B-4 [LIMITED].

**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 (i.e. the like goods – see explanation in glossary) are not identical to goods exported to Australia.

*(a) Compliance Standards*

EXPORTED TYPE	APPLICABLE AUSTRALIAN STANDARDS	DOMESTIC TYPE	APPLICABLE DOMESTIC STANDARDS	IDENTICAL?	DIFFERENCES
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Product code of each model of the goods exported to Australia	Where applicable, specify the Australian or other Standard to which the goods meeting this product code apply	Product code of comparable model sold on the domestic market of the country of export	Where applicable, specify the domestic or other Standard to which the goods meeting this product code apply	If standards are identical indicate "YES". Otherwise "NO"	Where the standard applicable to 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
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**(b) Cross-sectional diameter**

<b>EXPORTED TYPE</b>	<b>CROSS-SECTIONAL DIAMETER</b>	<b>DOMESTIC TYPE</b>	<b>CROSS-SECTIONAL DIAMETER</b>	<b>IDENTICAL?</b>	<b>DIFFERENCES</b>
Product code of each model of the goods exported to Australia	Specify in millimetres (mm) for each model of the goods exported to Australia	Product code of comparable model sold on the domestic market of the country of export	Specify in millimetres (mm) for each model sold on the domestic market of the country of export	If standards 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) Prime vs. Non-Prime (secondary) Merchandise**

<b>EXPORTED TYPE</b>	<b>Prime/Non-Prime</b>	<b>DOMESTIC TYPE</b>	<b>Prime/Non-Prime</b>	<b>IDENTICAL?</b>	<b>DIFFERENCES</b>
Product code of each model of the goods exported to Australia	Indicate whether the good is a prime or non-prime (secondary) good	Product code of comparable model sold on the domestic market of the country of export	Indicate whether the merchandise is prime or non-prime (secondary) merchandise	If standards are identical indicate "YES". Otherwise "NO"	Describe in detail the factors relevant to the designation of prime and non-prime product, i.e specifications, dimensional tolerances, length?

					How is the non-prime (secondary) good categorised internally and how it is marketed?
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**(d) Chemical specifications of each model of the goods exported to Australia**

	Target composition, %											
	Element											
<b>EXPORTED TYPE</b>	<b>C</b>	<b>Mn</b>	<b>Si</b>	<b>B</b>	<b>Nb</b>	<b>V</b>	<b>Cr</b>	<b>Ti</b>	<b>Mo</b>	<b>Ni</b>	<b>Cu</b>	<b>W</b>
Product code of each model of the goods exported to Australia												

**(e) Chemical specifications of each model of the goods sold on the domestic market of the country of export**

	Target composition, %											
	Element											
<b>DOMESTIC TYPE</b>	<b>C</b>	<b>Mn</b>	<b>Si</b>	<b>B</b>	<b>Nb</b>	<b>V</b>	<b>Cr</b>	<b>Ti</b>	<b>Mo</b>	<b>Ni</b>	<b>Cu</b>	<b>W</b>
Product code of comparable model sold on the domestic market of the country of export												

**(f) Other categories promoting comparability (please specify separately for each)**

<b>EXPORTED TYPE</b>	<b>DOMESTIC TYPE</b>	<b>IDENTICAL?</b>	<b>DIFFERENCES</b>
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:**

**[LIMITED]**

**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:

[LIMITED]

## SECTION D DOMESTIC SALES

*This section seeks information about the sales arrangements and prices in the domestic market of the country of export.*

*All domestic sales made during the investigation period must be listed transaction by transaction. If there is an extraordinarily large volume of sales data and you are unable to provide the complete listing electronically you **must** contact the case officer **before** completing the questionnaire. If the case officer agrees that it is not possible to obtain a complete listing he or she will consider a method for sampling that meets the Commission requirements. If agreement cannot be reached as to the appropriate method the Commission may not visit your company.*

*The Commission will normally take the invoice date as being the date of sale in order to determine which sales fall within the investigation period.*

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

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

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

**D-1** Provide:

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

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

[Answer:](#)

**[LIMITED]**

**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:

[LIMITED]This question is 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.

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

Answer:

[LIMITED]This question is not applicable.

**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.

Answer:

Please refer to Exhibit D-4 Domestic Sales [LIMITED].

**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:

**Yonggang Group has reported the allowance per request.**

**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:

**[LIMITED]**This 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.)

The Commission will select additional sales for verification at the time of our visit.

**Answer:**

Please refer to [Exhibit D-7 Sample Domestic Sales Documents \[LIMITED\]](#).

Section

E

Fair comparison

### 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:

[LIMITED]

#### 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:

[LIMITED]

#### 3. Credit

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

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:

[LIMITED]

**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:

[LIMITED]This question is not applicable.

**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:

[LIMITED]This question is 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.

Answer:

[LIMITED]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:

[LIMITED]

**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:

[LIMITED]This question is not applicable.

**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:

[LIMITED]This question is 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 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:

**[LIMITED]This question is not applicable.**

**3. Level of trade**

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

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

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

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:

**[LIMITED]This question is not applicable.**

#### **4. Credit**

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

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

- the rate, or average of rates, applying on actual short term borrowings 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:

---

<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.

[LIMITED]

**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:

[LIMITED]

**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:

[LIMITED]

**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:

[LIMITED]This question is 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.

Answer:

[LIMITED]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:

[LIMITED]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:

[LIMITED]This question is 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.

Answer:

**[LIMITED]This question is not applicable.**

**SECTION F  
EXPORT SALES TO COUNTRIES OTHER THAN  
AUSTRALIA (THIRD COUNTRY SALES)**

*Your response to this part of the questionnaire may be used by the Commission to select sales to a third country that may be suitable for comparison with exports to Australia.*

*Sales to third countries may be used as the basis for normal value in certain circumstances. The Commission may seek more detailed information on particular third country sales where such sales are likely to be used as the basis for determining normal value.*

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

<b>Column heading</b>	<b>Explanation</b>
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 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.

Supply this information in spreadsheet file named “Third country”

**Answer:**

Please refer to [Exhibit F-1 Third Country Sales \[LIMITED\]](#).

.

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

Answer:

[LIMITED]

## 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) - 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 (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 Production Process \[LIMITED\].](#)

.

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

following table:

Answer:

Please refer to Exhibit G-2 Production Capacity [LIMITED].

.

### **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:

[LIMITED]

- 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.

Answer:

[LIMITED]This question is not applicable.

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

Answer:

[LIMITED]This question is not applicable.

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

Answer:

[LIMITED]

- 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:



[LIMITED]

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

Answer:

[LIMITED]

- 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:

[LIMITED]This question is not applicable.

- 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:

[LIMITED]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:

[LIMITED]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 Prepare this information in a spreadsheet named "**Domestic CTMS**".
- 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.

---

<sup>2</sup> The Commission 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.

Answer:

Please refer to Exhibit G-4 Domestic CTMS [LIMITED].

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

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

- 1 Prepare this information in a spreadsheet named "**Australian CTMS**".

Answer:

**[LIMITED]This question is not applicable.**

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

Answer:

**[LIMITED]This question is not applicable.**

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

Answer:

**[LIMITED]This question is not applicable.**

- 4 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.

Answer:

**[LIMITED]This question is not applicable.**

**G-6 Major raw material costs**

List major raw material costs, which individually account for 10% or more of the total production cost. Please also include all raw material costs related to alloys, even if they account for less than 10% 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 the Commission will compare your purchase price to a normal market price. If the associate provides information on the cost of production for that input such cost data may also be considered.

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

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

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

[Answer:](#)

Please refer to [Exhibit G-6 Major Raw Material Costs \[LIMITED\]](#).

## SECTION H – PARTICULAR MARKET SITUATION

*The applicants claim that a ‘market situation’ exists in respect of alloy bars from China due to government influence on both the prices of the goods and the major raw material inputs used in the manufacture of the goods.*

*The existence of a ‘market situation’ could affect the Commission’s approach to calculating normal value within its dumping assessment.*

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

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

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

*It may be necessary for the Commission to request additional information following receipt and review of your response.*

There are three parts to this section:

PART H-1 - Requests information concerning the organisation of your company and the Government of China’s involvement in the business of your company.

PART H-2 - Requests information concerning the Government of China’s measures with respect to the steel industry in China.

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

### **PART H-1 GENERAL INFORMATION**

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

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

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

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

**Answer:**

**Not applicable. None of any governmental bodied has been a shareholder of Yonggang Group.**

**Yonggang Group will file the following documents to the related government:**

**Administration of Industry and Commerce of Zhangjiagang City: annual financial report and business license any review;**

**Tax Bureau of Zhangjiagang City: Tax returns;**

**Other than the above interaction with the government, Yonggang Group is not aware of any other interactions with the government.**

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

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

Answer:

[LIMITED]

- 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 Exhibit H-1.1.b Board of Directors [LIMITED].

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

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

Answer:

[LIMITED]This question is not applicable.

- 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:

[LIMITED]This question is not applicable.

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

Answer:

[LIMITED]This question is not applicable.

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

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

Answer:

Please refer to Exhibit H-1.1.b Board of Directors [LIMITED].

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

Answer:

**[LIMITED]This question is not applicable.**

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

Answer:

**Not applicable. There is management staff that are appointed by the GOC.**

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:

**[LIMITED]This question is not applicable.**

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:

**[LIMITED]This question is not applicable.**

- k) Provide the monthly trading volume and average monthly trading price of your listed security between 1 July 2014 and 30 June 2015.

Answer:

**[LIMITED]This question is not applicable.**

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

Answer:

**[LIMITED]**

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

Answer:

**[LIMITED]This question is not applicable.**

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

Answer:

**[LIMITED]This question is not applicable.**

### **3. Licensing**

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

Answer:

Please refer to [Exhibit H-1.3 Business Licenses](#) **[LIMITED]**.

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

Answer:

Please refer to [Exhibit H-1.3 Business Licenses](#) **[LIMITED]**.



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

**Answer:**

**Please refer to Exhibit H-1.3 Business Licenses [LIMITED].**

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

**Answer:**

**The company has to have the company name and operating place.**

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

**Answer:**

**No specific restriction are imposed on the business licenses, other than commodities and technologies restricted or prohibited by the state, but the restriction are not specific to steel industries, it applies to all entities.**

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

**Answer:**

**If any of the items as stated in the business license is changed, the company shall modify the registration, and the company registration authority shall replace the old business license by a new one.**

**The company's business scope shall be defined in its articles of association and shall be registered according to law. The company may change its business scope by modifying its articles of association, but shall go through the formalities for modifying the registration. If the business scope of a company covers any item subject to approval pursuant to laws or administrative regulations, the approval shall be obtained according to law.**

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

**Answer:**

**The business license is only for registration purpose. No benefits or rights conferred to the business license.**

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

**Answer:**

**Pursuant to relevant provisions of Company Law and the Regulations of the People's Republic of China on Administration of Company Registration, the business license will be withdrawn under any of the following circumstances:**

**I . A company which, when registering, falsely reports its registered capital and has obtained registration of company shall be ordered to remedy the situation and fined at least five per cent and no more than fifteen per cent of the amount of the registered capital falsely reported by the company registration authority. If the case is serious, the company's registration shall be cancelled and the business license withdrawn.**

**II . A company which, when registering, presents false documents or employs other deceptions and has obtained registration of company shall be ordered to remedy the situation and fined by the company registration authority. If the case is serious, the company's registration shall be cancelled and the business license withdrawn.**

**III. A company which, without justification, fails to commence business more than six months after establishment or ceases to do business for more than six consecutive months after-commencing business shall have its business license cancelled by the company registration authority.**

**IV. Where the organ in charge of company registration decides to alter, write off the registration or revoke its decision on alteration registration; where the relevant company refuses to submit or fails to submit its Business License, the organ in charge of company registration shall announce to cancel the company's business license.**

**V . If a company fails to go through the prescribed procedures for registering changes, the company registration organ shall order it to go through the procedures within a prescribed limit of time. If it has failed to do so within the prescribed time limit, a fine of anywhere from more than RMB 10,000 to less than RMB 100,000 shall be imposed. In case that the business scope to be changed is subject to the approval according to laws, administrative regulations and other orders of the State Council, but the company conducts the operation without such approvals, if the case is serious, its business license shall be revoked**

**VI. If a company refuses annual inspections according to regulations, the company registration organ shall impose a fine of anywhere from more than RMB 10,000 to less RMB 100,000 and order it to accept annual checking within the prescribed time limit, its business license shall be revoked. If a company is found to have canceled facts in its**

**annual checking or resorted to deception, the company registration organ shall impose a fine of anywhere from more than RMB 10,000 to less than RMB 100,000 and order it to correct within the prescribed time limit. If the case is very serious, its business license shall be revoked.**

**VII. If a company is found to have forged, altered, rented out, lent or transferred its business license, the company registration organ shall impose a fine of anywhere from more than RMB 10,000 to less RMB 100,000. If the case is very serious, its business license shall be revoked.**

**VIII. Where any company takes advantage of its name to engage in any serious illegal act that the state security or social public interest, its business license shall be revoked.**

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

- a) Provide a description of your business' decision-making structure in general and in respect of steel products. This should identify the persons or bodies primarily responsible for deciding:
- (i) what goods are produced;
  - (ii) how the goods are produced;
  - (iii) how levels of inputs such as raw materials, labour and energy are set and secured;
  - (iv) how the use of your outputs, such as how your product mix is determined; and
  - (v) how your business' profit is distributed, etc., is determined.

**Answer:**

**[LIMITED]**

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

**Answer:**

**[LIMITED]This question is not applicable.**

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

**Answer:**

**[LIMITED]**This question is not applicable.

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

Answer:

**[LIMITED]**

- 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:

**[LIMITED]**This question is not applicable.

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

Answer:

**[LIMITED]**This question is not applicable.

- 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 Minutes of BOD and Shareholders' Meeting **[LIMITED]**.

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

Answer:

**[LIMITED]**

## 5. Financial and investment activities

- a) How is your business debt funded? Provide a list of all major lenders.

Answer:

The lenders are the commercial banks; please see Exhibit H-1.5.a List of the Major Lenders [LIMITED].

- b) What is the rate of interest paid by your business on all debt instruments over the last 5 years?

Answer:

[LIMITED]

- c) Has your business benefited from any concessional interest rates for your loans/debts in the last 5 years? If so, provide details.

Answer:

[LIMITED]This question is not applicable.

- d) Has your business raised any capital using issuance of shares, preferential shares, rights issue, bonds, warrants, debentures, sub-ordinate loans or any other debt and/or equity instruments in the last 5 years? If so:
- i. explain what instruments were used;
  - ii. identify the type (e.g. government guarantee) and provider of the security; and
  - iii. explain the reasons for raising the capital.

Answer:

[LIMITED]This question is not applicable.

- e) Does your business have policies on how cash reserves are to be invested? If so, provide details.

Answer:

[LIMITED]This question is not applicable.

- f) Has your business invested in either government or non-government debt securities (such as bonds, quasi-government bonds)? If so provide details (e.g. type of instrument, amount invested and the expected rate of return).

Answer:

[LIMITED]This question is not applicable.

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

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

1. Are there any other Government of China opinions, directives, decrees, promulgations, measures, etc. concerning the iron and steel industry/sector that were put in place or operating during the investigation period; for example but not limited to, the National Steel Policy (NSP), the Blueprint for the Steel Industry Adjustment and Revitalization and the Directory Catalogue on Readjustment of Industrial structure?

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

Answer:

**Not applicable, Yonggang Group is not aware such GOC opinions, directives, decrees, promulgations, measures, etc. concerning the iron and steel industry/sector that were put in place or operating during the investigation period.**

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

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

- industrial policy and guidance on the steel industry sector;
- market entry criteria for the steel industry sector;
- environmental enforcement for the steel industry sector;
- management of land utilization;
- the China Banking Regulatory Commission for the steel industry sector;
- investigation and inspection of new steel expansion facilities;

- the section in the National Development and Reform Commission that is responsible for the steel industry sector; and
- import licensing for iron ore, steel and other steel raw materials.

**Answer:**

**The major departments that are involved in the abovementioned activities are as following:**

**Department: National Development and Reform Commission ( “NDRC”)**

**Address: 38 South Yuetan Street, Xicheng District, Beijing 100824**

**Phone number: 86-10-6850 1428**

**Fax number: 86-10-6850 2999**

**Department: Ministry of Industry and Information Technology ( “MIIT”)**

**Address: 13 West Changan Street, Xicheng District, Beijing 100804**

**Phone number: 86-10-6601 1228**

**Fax number: 86-10-6601 1228**

**Department: Ministry of Environmental Protection ( “MEP”)**

**Address: 115 Nanxiao Street, Xizhimen Nei, Beijing 100035**

**Phone number: 86-10-6655 6163**

**Fax number: 86-10-6655 6165**

**Department: Ministry of Land and Resources**

**Address: 64 Funei Avenue, Xicheng District, Beijing 100812**

**Phone number: 86-10-6655 8424**

**Fax number: 86-10-6655 8004**

**Agency: China Banking Regulatory Commission ( “CBRC”)**

**Address: 15 Financial Avenues, Xicheng District, Beijing 100800**

**Phone number: 86-10-6627 9378**

**Fax number: 86-10-6629 9144**

**Department: Department of Foreign Trade of the Ministry of Commerce ( “MOFCOM”)**

**Address: 2 Dongchang’an Road, Beijing, 100731**

**Phone number: 86-10-6519 7107**

**Fax number: 86-10-6519 7447**

**Please note that iron ore is automatically licensed for entry.**

**3. National Steel Policy**

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

- a) Explain in detail how the policy and any updates regarding the policy were communicated to your company.
- b) Identify the government department, association, or company official that communicated this policy or any related measures, to your company as well as the government office or association and the names of the officials who are responsible for the administration of this policy.
- c) Explain in detail the information that has been provided to you from official and unofficial channels concerning action to be taken by your company in relation to the policy.
- d) Do you have designated officials that have provided direction to your company regarding the Government of China's measures and how to proceed with your current project or future plans within the scope of the policy?
- e) Explain in detail if there are additional directives or measures from the Government of China that have been communicated to your company, since the inception of the policy.
- f) Explain in detail whether the policy has ever impacted your company's investment plans. This may include reference to specific measures considered or taken by your company to address issues and/or objectives raised by the policy. Such items may include but are not limited to items such as project approval process, credit and loans (including discounted interest payments), the environment, the scale of production, energy use, raw material inputs etc.
- g) Explain the ongoing mechanism used by the Government of China to measure your company's compliance with the policy directives and/or guidelines.
- h) The policy includes directives and/or guidelines that permit authorities to limit the supply of water, power, land and bank loans etc. to steel producers, which do not meet the objectives of the policy.
  - Explain in detail whether your company's expansion or investment plans have ever been or may be impacted by these criteria.
  - Explain the procedure to be followed by a steel company in making a request for approval of a steel investment for an existing steel enterprise or new steel enterprise.



- Identify any Government of China bodies at the regional or provincial level that have the responsibility to grant the approval, or refuse approval regarding an investment in the steel sector.
  - Are review and approval decisions regarding investments in the steel sector made by the central government or are they delegated to the regional or provincial level?
- i) Describe the role of the National Development and Reform Commission in terms of communicating, implementing and overseeing policies governing the steel sector, including but not limited to, China's National Steel Policy.

Answer:

**[LIMITED]**

**4. Other government approvals**

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

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

Answer:

**[LIMITED]**

**5. The restructure of the iron and steel industry in China**

The Commission is aware of the GOC's *Guidelines on tackling severe overcapacity problem*. The following questions relate to these guidelines:

- a) Explain in detail if there were any directives or measures from the GOC that have been communicated to your business since the inception of these guidelines?
- b) Identify the Government department, association or company official that communicated these guidelines or any related measures to your business.
- c) Identify the Government department, association or company and names of officials who are responsible for the administration of these guidelines.
- d) Explain in detail how these guidelines have or might impact on your business. 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 (iron and steel, pre-alloyed product etc).
- e) Explain any on-going mechanism used by the GOC to measure your business compliance with the policy directives and/or guidelines.

Answer:

[LIMITED]

**PART H-3 THE ALLOY BAR SECTOR**

The information requested in this part will assist in providing a better understanding of the Government of China measures and your business' sales and production of alloy bars.

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

**1. Export quotas and licensing**

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

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

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

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

Answer:

[LIMITED]

## 2. Taxation

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

Answer:

[LIMITED] This question is not applicable.

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

Answer:

[LIMITED]

- c) Have there been any changes to the value-added tax rebate applicable to steel exports in the last 5 years? If yes, provide:
- i. a detailed chronological history of the value-added tax rebate rates;

- ii. products affected;
- iii. the effective dates of the rate changes;
- iv. fully translated copies of any Government of China notices regarding these changes, including the relevant appendices.

Answer:

[LIMITED]

- d) Please provide details of any taxes and tariff (rates and rebates) applicable to coking coal and coke as well as iron ore and scrap steel.

Answer:

[LIMITED]

- e) Please provide details of any other taxes and tariff (rates and rebates) applicable to alloyed bar specifically.

Answer:

[LIMITED]This question is not applicable.

- f) Are you aware of any tax changes being planned that would impact the alloy bar sector?

Answer:

[LIMITED]

### 3. Sales terms

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

Answer:

[LIMITED]

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

Answer:

[LIMITED]

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

Answer:

[LIMITED]This question is not applicable.

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

Answer:

[LIMITED]This question is not applicable.

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

Answer:

[LIMITED]This question is not applicable.

#### 4. Industry associations

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

#### 5. Other industry associations

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

Answer:

**Yonggang Group is a member of China Iron and Steel Association (“CISA”).**

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

Answer:

**The purpose of CISA is to represent the interests and to protect the legitimate rights of its members, to serve for enterprises, industry and society, and to coordinate and establish self-disciplinary system in the steel industry.**

**CISA establishes a self-disciplinary system so as to regulate the operation in the steel industry, conducts industry surveys and researches so as to provide effective guidance or advice to its members, promotes the communication of management and technological information, and organizes training programs etc.**

**6. Statistics submission/recording**

- a) Indicate if your business makes submissions<sup>3</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:

**Except for regular taxation purpose and business license annual review, Yonggang Group is not aware of any interactions with the GOC in its business operation.**

- 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:

**This question is not applicable.**

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

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<sup>3</sup> For example, monthly data relating to sales, production and costs.

Answer:

**This question is not applicable.**

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

Answer:

**This question is not applicable.**

**7. Manufacturing inputs**

- a) Is there a price difference in purchase price for raw materials (i.e. coking coal, coke, iron ore and scrap steel or other raw material involved in the manufacture of alloy bars) between your suppliers?

Answer:

**[LIMITED]**

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

Answer:

**[LIMITED]This question is not applicable.**

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

Answer:

**[LIMITED]**

- d) Does your business benefit from any concession on the purchase of any utility services (e.g. electricity, gas, etc.)? If so explain the nature and the amount of the concession?

Answer:

**[LIMITED]This question is not applicable.**

**8. Regional differences**

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

Answer:

[LIMITED]

**9. Alloy bar production/output during the investigation period**

- a) Is any part of your production of alloy bars 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:

[LIMITED]

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

Answer:

[LIMITED]This question is not applicable.

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

Answer:

[LIMITED]This question is not applicable.

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

Answer:

[LIMITED]This question is not applicable.

- e) Provide a list of all your domestic customers of the goods, include the location (city and province) of the customer and indicate whether each customer is an SIE.



Answer:

Please refer to Exhibit D-4 [LIMITED].

- f) Are there any restrictions and/or conditions in relation to the quality or quantity of the production of the goods placed upon your business? If so, provide details.

Answer:

[LIMITED]This question is not applicable.

- g) Does your business require an export licence? If so, provide details.

Answer:

Yonggang Group and its affiliated companies don't require an export license.

- h) Are the goods sold by your business subject to any export restrictions and/or limits during the previous 5 year? If so, provide details.

Answer:

[LIMITED]This question is not applicable.

- i) Provide details regarding any other restrictions (e.g., geographic/regional, downstream, end use) placed upon your business on the sale of the goods.

Answer:

[LIMITED]This question is not applicable.

- j) Have there been any changes to your production capacity of the goods over the last 5 years? If so, provide details.

Answer:

**[LIMITED]This question is not applicable.**

- k) Is any part of your production of iron and steel products 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:

**[LIMITED]**

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

Answer:

**[LIMITED]This question is not applicable.**

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

Answer:

**[LIMITED]This question is not applicable.**

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

Answer:

**[LIMITED]This question is not applicable.**

- o) Provide a list of all your domestic customers of the goods, include the location (city and province) of the customer and indicate whether each customer is an SIE.

Answer:

**Please refer to Exhibit D-4 [LIMITED].**

- p) Are there any restrictions and/or conditions in relation to the quality or quantity of the production of the goods placed upon your business? If so, provide details.

Answer:

**[LIMITED]**This question is not applicable.

- q) Does your business require an export licence? If so, provide details.

**Answer:**

**Yonggang Group and its affiliated companies don't require an export license.**

- r) Are the goods sold by your business subject to any export restrictions and/or limits during the previous 5 year? If so, provide details.

**Answer:**

**[LIMITED]**This question is not applicable.

- s) Provide details regarding any other restrictions (e.g., geographic/regional, downstream, end use) placed upon your business on the sale of the goods.

**Answer:**

**[LIMITED]**This question is not applicable.

- t) Have there been any changes to your production capacity of the goods over the last 5 years? If so, provide details.

**Answer:**

**[LIMITED]**This question is not applicable.

**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 iron and steel prices.

**Answer:**

**[LIMITED]**

- 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. iron and steel, etc.).

Answer:

[LIMITED]

- 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:

[LIMITED]This question is not applicable.

- d) Describe in detail how the selling price of the goods is determined. In particular, provide details of any restrictions, limitations, or other considerations imposed on your business.

Answer:

[LIMITED]This question is not applicable.

- e) Which organisation/business entity do you consider as the price leader of the goods?

Answer:

**Yonggang Group and its affiliated companies don't consider any entities as the price leader of the goods.**

- f) Does your business have a pricing committee in respect of the goods? If so provide the names and positions of all members of the Committee.

Answer:

**Yonggang Group and its affiliated companies don't have a pricing committee in respect of the goods.**

- g) How often does the pricing committee meet to discuss selling prices of the goods? Provide the minutes or any other relevant documents of all meetings of the pricing committee during the investigation period.

Answer:

[LIMITED]This question is not applicable.

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

Answer:

[LIMITED]

- i) If you have production facilities of the goods in more than one region and/or province, are the laws and regulations in each region the same with respect to pricing of the goods? If not, provide details on the differences.

Answer:

**Yonggang Group and its affiliated companies are located in the same region, so this question is not applicable.**

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

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

Answer:

**Not applicable, no such expansion or joint ventures.**

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

Answer:

[LIMITED]This question is not applicable.

**11. Steel billet (Purchased)**

*Only answer the following questions if your business, or related businesses, purchase steel billet*

- a) Provide a detailed listing of your steel billet purchases by completing the ‘Steel Billet Purchases’ tab of the attached spreadsheet.

Answer:

Please refer to [H3. 11.a Steel Billet Purchase](#)[LIMITED].

- b) Do you have more than one supplier of steel billet? If so, provide an explanation

of the reasons of price differences between these suppliers?

Answer:

Please refer to [H3. 11.a Steel Billet Purchase\[LIMITED\]](#). All the steel billets were purchased from one supplier, this question is not applicable.

- c) Describe in detail your business' purchase procedures of steel billet and the considerations in selecting a supplier. If it is by tenders, provide details of the criteria/conditions

Answer:

[LIMITED]

- d) If steel billet is imported by your business, or related businesses:
- i. Provide details including a description of the steel billet imported, the supplier and country of origin.
  - ii. Explain the process required to import steel billet (e.g. obtaining an import licence, import declarations).
  - iii. Provide details of any conditions to importing the steel billet (e.g. customs and/or quarantine).
  - iv. Is your business eligible for a duty drawback? If so, provide details.

Answer:

[LIMITED]This question is not applicable.

- e) Do you have more than one supplier of the raw materials? If so, provide an explanation of the reasons of price differences between these suppliers?

Answer:

Please refer to [H3. 11.a Steel Billet Purchase\[LIMITED\]](#). All the steel billets were purchased from one supplier, this question is not applicable.

- f) Describe in detail your business' purchase procedures of the raw materials and the considerations in selecting a supplier. If it is by tenders, provide details of the criteria/conditions.

Answer:

Please refer to H3. 11.a Steel Billet Purchase[LIMITED]. Yonggang Group will make the price inquiry from the market, and then the purchase price from the supplier should be at the market price.

- g) If any of your raw materials for the production of billet or alloy bar are imported by your business, or related businesses:
  - i. Provide details including a description of the raw material imported, the supplier and country of origin.
  - ii. Explain the process required to import the raw materials (e.g. obtaining an import licence, import declarations).
  - iii. Provide details of any conditions to importing the raw materials (e.g. customs and/or quarantine).
  - v. Are you eligible for a duty drawback? If so, provide details.

Answer:

**[LIMITED]This question is not applicable.**

## 12. Steel billet (Sales)

Answer:

**Yonggang Group did not sell steel billets during POI, so this question is not applicable.**

*Only answer the following questions if your business, or related businesses, sell steel billet*

- a) Sales and production
  - i. Provide a list of all your domestic customers of steel billet and indicate whether each customer is an SIE.
  - ii. Are you required to obtain approval or a licence to sell steel billet? If so, provide details.
  - iii. Are there any restrictions and/or conditions in relation to the quality or quantity of the production of steel billet placed upon your business? If so, provide details.
  - iv. Do you have an export licence for exports of steel billet? If so, provide details.
  - v. Is steel billet sold by your business subject to any export restrictions and/or limits during the previous 5 year? If so, provide details.

- vi. Provide details regarding any other restrictions (e.g., geographic/regional, downstream, end use) placed upon your business on the sale of steel billet.
  - vii. Have there been any changes to your production capacity of steel billet over the last 5 years? If so, provide details.
- b) Selling price
- a. Describe in detail how the selling price of steel billet is determined. In particular, provide details of any restrictions, limitations, or other considerations faced by your business.
  - b. Which organisation/business entities do you consider as the price leader of steel billet?
  - c. Does your business have a pricing committee in respect of steel billet? If so provide the names and positions of all members of the Committee.
  - d. How often does the pricing committee meet to discuss selling prices of steel billet? Provide the minutes or any other relevant documents of all meetings of the pricing committee during the investigation period.
  - e. Identify the person who authorises the sales terms, prices and other contract provisions for the sale of steel billet by your business.
  - f. If you have production facilities of steel billet in more than one region and/or province, are the laws and regulations in each region the same with respect to pricing of steel billet? If not, provide details on the differences.
  - g. If you have customers of steel billet located in more than one region and/or province, are the selling prices of these products different? If so, explain the reasons on the differences.

### 13. Raw material purchases

Answer:

**Yonggang Group purchases the steel billets, so this question is not applicable.**

*Only answer the following questions if your business, or related businesses, manufacture steel billet*

- a) Provide a detailed listing of your raw material purchases (e.g. iron ore, steel scrap, coking coal, lime) involved in the manufacture of alloy bars by completing the Raw Material Purchases tab of the attached spreadsheet).
- b) Do you have more than one supplier of the raw materials? If so, provide an explanation of the reasons of price differences between these suppliers?
- c) Describe in detail your business' purchase procedures of the raw materials and the considerations in selecting a supplier. If it is by tenders, provide details of the criteria/conditions.



- d) If any of your raw materials for the production of steel billet or alloy bar are imported by your business, or related businesses:
- i. Provide details including a description of the raw material imported, the supplier and country of origin.
  - ii. Explain the process required to import the raw materials (e.g. obtaining an import licence, import declarations).
  - iii. Provide details of any conditions to importing the raw materials (e.g. customs and/or quarantine).
  - iv. Are you eligible for a duty drawback? If so, provide details.



江苏永钢集团有限公司  
JIANGSU YONGGANG GROUP CO., LTD.

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## Section I

### Exporter's declaration

I hereby declare that Jiangsu Yonggang Group Co., Ltd., 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:** Yu Jiajun

**Signature:**

**Position in Company:** Vice President

## SECTION J CHECKLIST

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

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

Electronic Data	Please tick if you have provided spreadsheet
<b>INCOME STATEMENT</b>	<input checked="" type="checkbox"/>
<b>TURNOVER</b> – sales summary	<input checked="" type="checkbox"/>
<b>AUSTRALIAN SALES</b> – list of sales to Australia	<input checked="" type="checkbox"/>
<b>DOMESTIC SALES</b> – list of all domestic sales of like goods	<input checked="" type="checkbox"/>
<b>THIRD COUNTRY</b> – third country sales	<input checked="" type="checkbox"/>
<b>PRODUCTION</b> – production figures	<input checked="" type="checkbox"/>
<b>DOMESTIC COSTS</b> – costs of goods sold domestically	<input checked="" type="checkbox"/>
<b>AUSTRALIAN COSTS</b> – costs of goods sold to Australia	<input checked="" type="checkbox"/>
<b>STEEL BILLET PURCHASES</b> – details regarding cost of steel billet purchases	<input checked="" type="checkbox"/>
<b>RAW MATERIAL PURCHASES</b> – details regarding cost of raw material purchases	<input checked="" type="checkbox"/>