



PUBLIC VERSION

Exporter Questionnaire

***Changzhou Toshiba Transformer Company Limited
(CTC)***

Case number: Investigation 507

Product: Power Transformers

From: The People's Republic of China

Investigation period: 1 January 2016 to 31 December 2018 (the period)

Response due by: 24 April 2019 [Section A Only,
remainder extended until 6 May 2019]

Case manager: Reuben McGovern

Phone: +61 3 8539 2437

Return completed questionnaire to:
investigations3@adcommission.gov.au

Anti-Dumping Commission website: www.adcommission.gov.au

TABLE OF CONTENTS

TABLE OF CONTENTS	2
CHECKLIST	3
GOODS UNDER CONSIDERATION / GOODS SUBJECT TO ANTI-DUMPING MEASURES	4
SECTION A COMPANY INFORMATION	5
A-1 COMPANY REPRESENTATIVE AND LOCATION	5
A-2 COMPANY INFORMATION	6
A-3 GENERAL ACCOUNTING INFORMATION	8
A-4 FINANCIAL DOCUMENTS	8
SECTION B EXPORT SALES TO AUSTRALIA	
B-1 AUSTRALIAN EXPORT SALES PROCESS	10
B-2 AUSTRALIAN SALES LISTING	11
B-3 SAMPLE EXPORT DOCUMENTS.....	11
B-4 RECONCILIATION OF SALES TO FINANCIAL ACCOUNTS	12
B-5 RECONCILIATION OF DIRECT SELLING EXPENSES TO FINANCIAL ACCOUNTS	12
SECTION C EXPORTED GOODS & LIKE GOODS	13
C-1 MODELS EXPORTED TO AUSTRALIA	13
C-2 MODELS SOLD IN THE DOMESTIC MARKET	13
SECTION D DOMESTIC SALES	14
D-1 DOMESTIC SALES PROCESS	14
D-2 DOMESTIC SALES LISTING	15
D-3 SAMPLE DOMESTIC SALES DOCUMENTS	15
D-4 RECONCILIATION OF SALES TO FINANCIAL ACCOUNTS	15
SECTION E DUE ALLOWANCE	17
E-1 CREDIT EXPENSE	17
E-2 PACKAGING	17
E-3 DELIVERY	18
E-4 OTHER DIRECT SELLING EXPENSES	19
E-5 OTHER ADJUSTMENT CLAIMS	19
SECTION F THIRD COUNTRY SALES	21
F-1 THIRD COUNTRY SALES PROCESS	21
F-2 THIRD COUNTRY SALES LISTING	21
F-3 DIFFERENCES IN SALES TO THIRD COUNTRIES	22
SECTION G COST TO MAKE AND SELL	23
G-1. PRODUCTION PROCESS	23
G-2. COST ACCOUNTING PRACTICES	23
G-3 COST TO MAKE AND SELL ON DOMESTIC MARKET.....	24
G-4 SELLING, GENERAL & ADMINISTRATION EXPENSES	24
G-5 COST TO MAKE AND SELL THE GOODS EXPORTED TO AUSTRALIA.....	25
G-6 COST ALLOCATION METHODOLOGY	25
G-7 MAJOR RAW MATERIAL COSTS.....	26
G-8 RECONCILIATION OF COST TO MAKE TO AUDITED FINANCIAL STATEMENTS.....	26
G-9 CAPACITY UTILISATION.....	27
EXPORTER'S DECLARATION	28

Check List

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 Company information	<input checked="" type="checkbox"/>
Error! Reference source not found.	<input checked="" type="checkbox"/>
Section C Exported goods & like goods	<input checked="" type="checkbox"/>
Section D Domestic sales	<input checked="" type="checkbox"/>
Section E Due allowance	<input checked="" type="checkbox"/>
Section F Third country sales	<input checked="" type="checkbox"/>
Section G Cost to make and sell	<input checked="" type="checkbox"/>
Exporter's declaration	<input checked="" type="checkbox"/>
Non-confidential version of this response	<input checked="" type="checkbox"/>

Attachments	Please tick if you have provided spreadsheet
B-2 Australian sales	<input checked="" type="checkbox"/>
B-4 Upwards sales	<input checked="" type="checkbox"/>
B-5 Upwards selling expenses	<input checked="" type="checkbox"/>
D-2 Domestic sales	<input checked="" type="checkbox"/>
F-2 Third country sales	<input checked="" type="checkbox"/>
G-3 Domestic CTM	<input checked="" type="checkbox"/>
G-4.1 SG&A listing	<input checked="" type="checkbox"/>
G-4.2 Dom SG&A calculation	<input checked="" type="checkbox"/>
G-5 Australian CTM	<input checked="" type="checkbox"/>
G-7.1 List of raw materials	<input checked="" type="checkbox"/>
G-7.4 Raw material purchases	<input checked="" type="checkbox"/>
G-8 Upwards costs	<input checked="" type="checkbox"/>
G-9 Capacity utilisation	<input checked="" type="checkbox"/>

GOODS UNDER CONSIDERATION / GOODS SUBJECT TO ANTI-DUMPING MEASURES

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

Liquid dielectric power transformers with power ratings of equal to or greater than 10 MVA (mega volt amperes) and a voltage rating of less than 500kV (kilo volts) whether assembled or unassembled, complete or incomplete.

Incomplete transformers are sub-assemblies consisting of the active part and any other parts attached to, imported with or invoiced with the active parts of power transformers. The active part of a power transformer consists of one or more of the following when attached to or otherwise assembled with one another:

- the steel core;
- the windings;
- electrical insulation between the windings; and
- the mechanical frame.

The product definition includes step-up transformers, step-down transformers, autotransformers, interconnection transformers, voltage regulator transformers, rectifier transformers, traction transformers, trackside transformers and power rectifier transformers.

Distribution transformers are not the subject to the measures.

**SECTION A
COMPANY INFORMATION**

A-1 Company representative and location

1. Please nominate a contact person within your company:

Name:	Mr. Tang Shizhou
Position in the company:	Sales Manager
Address:	86 Middle Longjiang Road Changzhou Jiangsu Province China
Telephone:	+86 519 83256040
E-mail address:	tangsz@cz-toshiba.com

Name:	Mr. Shen Yong
Position in the company:	Senior Manager - Sales
Address:	86 Middle Longjiang Road Changzhou Jiangsu Province China
Telephone:	+86 519 83256057
E-mail address:	shenyong@cz-toshiba.com

2. If you have appointed a representative, provide their contact details:

Name:	Mr Andrew Percival	Mr Kevin Reilly
Address:	Percival Legal 1 Rickard Avenue Mosman NSW 2088	GTR Consulting 2 Julianne Close Bolwarra Heights NSW 2320
Telephone:	+61 425 221 036	+61 411 439 366
E-mail address:	andrew.percival@percivallegal.com.au	kevin@gtrconsulting.com.au
Please note that all communications in relation to this matter should be directed to Percival Legal in the first instance.		

In nominating a representative, you are granting authority to the Commission to discuss matters relating to the case with the nominated representative, including your company's confidential information.



3. Please provide the location of the where the company's financial records are held.
Changzhou Toshiba Transformer Company Limited
Longjiang Middle Road No. 86 Changzhou Jiangsu Province China
4. Please provide the location of the where the company's production records are held.
Changzhou Toshiba Transformer Company Limited
Longjiang Middle Road No. 86 Changzhou Jiangsu Province China

A-2 Company information

1. What is the legal name of your business?
A: Changzhou Toshiba Transformer Company Limited (hereinafter referred as CTC).
2. Does your company trade under a different name and/or brand? If yes, provide details.
A: No
3. Was your company ever known by a different legal and/or trading name? If yes, provide details
A: No
4. Provide a list of your current board of directors and any changes in the last two years.
A: There were no changes in 2017
Changes that occurred during 2018 are as follows:
Chairman:
Change from Mr. XXXXXXXXXXXX to Mr. XXXXXX,
Director:
Change from Mr. XXXXXXXXXXXXX to Mr. XXXXX, Change from XXXXXX to XXXXXXXXXXXX, .
Supervisor:
Change from XXXXXXXXXXXX to XXXXXXXXXXXX ; Change from Ms. XXXXXX to Mr. XXXXXXXXXXXXX.
List of directors in 2019:
Chairman: Mr. XXXXXXXXXXXX
Vice Chairman: Mr. XXXXXXXXXXXX
Directors in China side: Mr. XXXXXXXXXXXX, Mr. XXXXXXXX, Mr. XXXXXX.
Directors in Japan side: Mr. XXXXXXXXXXXXXXXXXXXX、 Mr. XXXXXXXXXXXX、 Mr. XXXXXXXXXXXXXXXXXXXX
Supervisors: Mr. XXXXXXXXXXXX、 Mr. XXXXXXXXXXXXXXXXXXXX

5. Is your company part of a group (e.g. parent company with subsidiaries, common ownership, joint-ventures)? If yes, provide:

(a) A diagram showing the complete ownership structure; and

A: CTC is an International Joint Venture

Shangdong Electrical & Electronics Group Co., Ltd. XX%

Toshiba Corporation XX%

(b) A list of all related companies and its functions

A: Shangdong Electrical & Electronics Group Co., Ltd. – Parent Company

Toshiba Corporation – Parent Company

6. Is your company or parent company publicly listed?

If yes, please provide:

(a) The stock exchange where it is listed; and

(b) Any principle shareholders¹

A: Toshiba Corporation is publicly listed on Tokyo Stock Exchange and Nagoya Stock Exchange

State Grid Corporation of China holds 100% ownership of Shangdong Electrical & Electronics Group Co., Ltd., it is not publicly listed

If no, please provide:

(a) A list of all principal shareholders and the shareholding percentages.

7. What is the overall nature of your company's business? Include details of the products that your company manufacture and sell and the market your company sells into.

A: Refer to attached named 'A-2.7 Catalogue'.

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:

(a) produce or manufacture;

(b) sell in the domestic market;

(c) export to Australia; and

(d) export to countries other than Australia.

A: CTC perform all the functions above

9. Provide your company's internal organisation chart.

A: Refer Confidential Attachment - "A-2 Internal Organization Chart".

10. Describe the functions performed by each group within the organisation.

A: Refer Confidential Attachment - "A-2 Internal Organization Chart".

11. Does your company produce brochures, pamphlets or other promotional material? If yes, please provide them.

¹ Principal shareholders are those who are 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.

A: Refer Attachment 'A-2.7 Catalogue'.

A-3 General accounting information

1. What is your financial accounting period?

A: From 1st January to 31st December

2. Are your financial accounts audited? If yes, who is the auditor?

A: Beijing Dadijintai Certified Public Accountant

3. What currency are your accounts kept in?

A: RMB.

4. What is the name of your financial accounting system?

A: XXXXXXX Financial system.

5. What is the name of your sales system?

A: N/A.

6. What is the name of your production system?

A: XXXXXXX system imported from Japan.

7. If your financial accounting, sales and production systems are different, how do the systems interact? Is it electronically or manual? Please provide a detailed explanation and include diagrams.

A: They are not electronically linked, manual interaction

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

A: No, CTC's accounting practices comply with generally accepted accounting principles in China

9. Have there been any changes to your accounting practices and/or policies over the last two years? If yes, please provide details.

A: No

A-4 Financial Documents

1. Please provide the four (4) most recently completed annual reports and/or financial statements for your company and any other related companies involved in the production and sale of the goods.

A: Refer Confidential Attachment - "A-4.1Balance sheet"

2. If the financial statements in A-4.1 are unaudited, provide for each company:

(a) the tax returns relating to the same period; and

(b) reconciliation of the revenue, cost of goods sold, and net profit before tax between the financial statements and tax returns.

A: CTC's accounts are audited

3. Does your company maintain different profit centres? If yes, provide profit & loss statements for the profit centre that the goods fall into for the financial years ending 2014 through to 2018. If your financial year does not end on 31 December, then provide data up to 31 December 2018.

A: N/A

4. If the period is different to your financial period, please provide:

(a) Income statements directly from your accounting information system covering the most recent financial period and the period; or

- (b) Quarterly or half yearly income statements directly from your accounting system covering the most recent financial period and the period.

A: N/A

5. Please provide a copy of your company's trial balance covering the 4 most recent financial years. If your financial year does not end on 31 December, then provide data up to 31 December 2018.

A: Refer Confidential Attachment - "A-4.1 Balance sheet"

6.

7. Please provide your company's chart of accounts.

A: Refer Confidential Attachment - "A-4.7 Chart of accounts".

If any of the documents are not in English, please provide a complete translation of the documents.

SECTION B EXPORT SALES TO AUSTRALIA

B-1 Australian export sales process

1. Provide details (and diagrams if appropriate) of the export sales process of your company and any entities (e.g. agents) including:

- (a) Marketing and advertising activities
- (b) Price determination and/or negotiation process
- (c) Order placement process
- (d) Order fulfilment process and lead time
- (e) Delivery terms and process
- (f) Invoicing process
- (g) Payment terms and process

A: Refer Confidential Attachment - “B-1 Export sales to Australia”.

2. In what currency do you invoice your Australian customers? If it is not in your local currency:

A: US Dollars (USD).

- (a) Do your customers pay you into a foreign currency denominated account? If yes, provide details;

A: Yes. Bank of Communications, Changzhou Branch

- (b) Do you use forward contracts to lock in the foreign exchange rate relating to the export sales? If yes, provide details;

A: No.

- (c) How is the exchange rate determined and how often is it updated in your accounting system?

A: Update on a quarterly basis according to the exchange rate published by the People’s Bank of China.

3. Are there any Australian customers related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.

A: Yes. Toshiba International Corporation Pty Ltd Australia. (Hereinafter referred to as “TIC”)

CTC receives tender document specifications. CTC calculates the cost plus margin and respond to TIC. Subject to market conditions the price is accepted or further negotiations take place before finalising contract.

4. If sales are in accordance with price lists or price extras list, provide copies of these lists.

A. There are no price lists. Each unique order is awarded by tender.

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

A: No.

6. Did you provide on-invoice discounts and/or off-invoice rebates to any Australian customer or an associate of the customer in relation to the sale of the goods during the period? If yes, provide a description and explain the terms and conditions that must be met by the customer to obtain the discount.

A: No.

7. Did you issue any credit or debit notes (directly or indirectly) to the customer or associate of the customer in relation to the sale of the goods during the period? If yes, provide details of the credit/debit notes including the reasons the credit/debit notes were issued.

A: No.

8. The invoice date will normally be taken to be the date of sale. If you are making a claim that a different date should be taken as the date of sale:

A: Yes.

- (a) What date are you claiming as the date of sale?
- (b) Why does this date best reflect the material terms of sale?

B-2 Australian sales listing

1. Complete the worksheet named "B-2 Australian sales"

- This worksheet lists all export sales (i.e. transaction by transaction) to Australia of the goods invoiced within the period (1 January 2016 to 31 December 2016).
- Where a contract has been won during the investigation period but the goods are not yet shipped, provide details of these goods with any expenses incurred to date and the scheduled delivery date specified in the contract.
- If you have claimed in B-1.8 that the date of sale is one other than the invoice date, then add the sales within your claimed date of sale.
- You must provide this list in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.
- If there are any direct selling expenses incurred in respect of the exports to Australia not listed in the spreadsheet, add a column. For example, if the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (e.g. delivered duty paid), insert additional columns in the spreadsheet for all other costs incurred.

Refer Confidential Attachment – CTC EQ spreadsheets – B-2 Australian Sales

2. Provide a table listing the source of the data for each column in the export sales listing (B-2.1).

A. To be provided at on-site verification

B-3 Sample export document

1. Select the two largest invoices by value and provide the following documentation:

A: Contract and Contract

- Contracts **A: Refer Confidential B-3-1**
- Purchase order and order confirmation **A: Refer Confidential B-3-1**
- Commercial invoice and packing list **A: Refer Confidential B-3-1**
- Proof of payment and accounts receivable ledger **A: Refer Confidential B-3-1 Attachment 3**
- Documents showing bank charges **A: Refer Confidential B-3-1 Attachment 3**
- Invoices for inland transport **A Refer Confidential B-3-1 Attachment 4**
- Invoices for port handling and other export charges **A: Refer Confidential B-3-1**
- Bill of lading **A: Refer Confidential B-3-1**
- Invoices for ocean freight & marine insurance (if applicable) **A: N/A**

- Country of origin certificates (if applicable) **A: Refer Confidential B-3-1**

If the documents are not in English, please provide a translation of the documents.

2. For each document, please annotate the documents or provide a table reconciling the details in the export listing (in B-2) to the source documents (in B-3.1).

A. To be provided at on-site verification

B-4 Reconciliation of sales to financial accounts

1. Please complete the worksheet named “B-4 Upwards sales” to demonstrate that the sales listing in B-2, D-2 and F-2 are complete.

- You must provide this list in electronic format using the template provided.
- Please use the currency that your accounts are kept in.
- If you have used formulas to complete this worksheet, these formulas must be retained.

A. Refer to Confidential Attachment – CTC EQ spreadsheets - B-4 Upwards sales

2. Please provide all documents (e.g. general ledgers, trial balances), other than those in A-5, B-2 and D-2, required to complete the “Upwards sales” worksheet. If the documents include spreadsheets, all formulas used must be retained.

A. To be provided at on-site verification

- B. For any amount in the “Upwards sales” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:

- the name of the source document, including the relevant page number, in column F of the worksheet; and
- highlight or annotate the amount shown in the source document.

A. To be provided at on-site verification

B-5 Reconciliation of direct selling expenses to financial accounts

1. Please complete the worksheet named “B-5 Upwards selling expense” to demonstrate that the direct selling expenses (e.g. Inland transport) in B-2 and D-2 are complete.

- You must provide this list in electronic format using the template provided.
- Please use the currency that your accounts are kept in.
- If you have used formulas to complete this worksheet, these formulas must be retained.

A. Refer to Confidential Attachment – CTC EQ spreadsheets - B-5 Upwards selling expense

2. Please provide all documents (e.g. general ledgers, trial balances), other than those in A-5, B-2 and D-2, required to complete the “Upwards SG&A” worksheet. If the documents include spreadsheets, all formulas used must be retained.

A. To be provided at on-site verification

- B. For any amount in the “Upwards sales” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:

- the name of the source document, including the relevant page number, in column F of the worksheet; and
- highlight or annotate the amount shown in the source document.

SECTION C EXPORTED GOODS & LIKE GOODS

C-1 Models exported to Australia

1. Fully describe all of the goods your company exported to Australia during the period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the goods exported to Australia.

A. Each power transformer exported to Australia is individually produced to meet a customer’s required specifications and terms and conditions of supply. Refer Confidential Attachment C-1-1.

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

EXPORT TYPE	Mega volt amperes (MVA)	Kilo volts (kV)
Contract 1	xxx	xxx
Contract 2	xxx	xxx
Contract 3	xxx	xxx
Contract 4	xxx	xxx

C-2 Models sold in the domestic market

1. Fully describe all like goods your company sold on the domestic market during the period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the like goods sold on the domestic market.

A: Each of the power transformers sold on the domestic market are produced to meet the customer’s unique specification and terms and condition of supply. Refer Confidential Attachment C-2-1.

2. List each unique unit of power transformer sold on the domestic market during the investigation period.

DOMESTIC TYPE	Mega volt amperes (MVA)	Kilo volts (kV)
Product code of each unique unit of the goods sold domestically		

A: Refer Confidential Attachment C-2-2 - Models sold in the domestic market.

3. 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.

A: Refer Confidential Attachment C-2-1.

SECTION D DOMESTIC SALES

D-1 Domestic sales process

1. Provide details (and diagrams if appropriate) of the domestic sales process of your company and any other related entities including:
 - (a) Marketing and advertising activities
 - (b) Price determination and/or negotiation process
 - (c) Order placement process
 - (d) Order fulfilment process and lead time
 - (e) Delivery terms and process
 - (f) Invoicing process
 - (g) Payment terms and process

A: Refer Attachment D-1 Domestic sales process.

2. Are any domestic customers related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.

A: No.

3. If sales are in accordance with price lists or price extras list, provide copies of these lists.

A: The price for each set of transformer varies as we bid according to the bidding documents. Changzhou Toshiba Transformer Co., Ltd. does not have a price list for products.

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

A: The sales price varies according to the requirements of bidding documents each time and does not vary according to different distribution channels.

5. Did you provide on-invoice discounts and/or off-invoice rebates to the customer or an associate of the customer in relation to the sale of the like goods during the period? If yes, provide a description; and explain the terms and conditions that must be met by the importer to obtain the discount.

A: No.

6. Did you issue any credit or debit notes (directly or indirectly) to the customer or associate of the customer in relation to the sale of the like goods during the period? If yes, provide details of the credit/debit notes including the reasons the credit/debit notes were issued.

A: No.

7. The invoice date will normally be taken to be the date of sale. If you are making a claim that a different date should be taken as the date of sale:

- (a) What date are you claiming as the date of sale?
- (b) Why does this date best reflects the material terms of sale?

D-2 Domestic sales listing

1. Complete the worksheet named “D-2 Domestic sales”
 - This worksheet lists all domestic sales (i.e. transaction by transaction) of like goods invoiced within the period, even if they are models not exported to Australia
 - If you have claimed in D-1.7 that the date of sale is one other than the invoice date, then add the sales within your claimed date of sale.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.
 - 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-2 above, add a column for each item. For example, certain other selling expenses incurred.
- A. Refer Confidential Attachment – CTC EQ spreadsheets – D-2 Domestic Sales**
2. Provide a table listing the source of the data for each column in the domestic sales listing (D-2.1).
- A. To be provided at on-site verification**

D-3 Sample domestic sales documents

1. Select the two largest invoices by value and provide the following documentation:
 - Contracts;
 - Purchase order and order confirmation;
 - Commercial invoice and packing list;
 - Proof of payment and accounts receivable ledger;
 - Documents showing bank charges;
 - Delivery invoices;

A: Refer to Confidential Attachment “D-3-1”

If the documents are not in English, please provide a translation of the documents.

2. For each document, please annotate the documents or provide a table reconciling the details in the domestic sales listing (in D-2) to the source documents (in D-3.1).

A. To be provided at on-site verification

D-4 Reconciliation of sales to financial accounts

This section is not required if you have completed B-4.

1. Please complete the worksheet named “B-4 Upwards sales” to demonstrate that the sales listing in D-2 is complete.
 - You must provide this list in electronic format using the template provided.
 - Please use the currency that your accounts are kept in.
 - If you have used formulas to complete this worksheet, these formulas must be retained.
2. Please provide all documents (e.g. general ledgers, trial balances), other than those in A-5 and D-2, required to complete the “Upwards sales” worksheet. If the documents include spreadsheets, all formulas used must be retained.

PUBLIC VERSION

3. For any amount in the “Upwards sales” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:
 - the name of the source document, including the relevant page number, in column F of the worksheet; and
 - highlight or annotate the amount shown in the source document.

SECTION E DUE ALLOWANCE

E-1 Credit expense

1. Do you provide credit to any domestic customers in relation to sales of like goods (i.e. payment terms that are not on a cash or pre-payment basis)? If yes:

A: No

- (a) Do you provide a rolling credit facility to your domestic customers (i.e. no specific payment terms agreed at the time of sale)? If yes:
 - i. Calculate the accounts receivable turnover for each domestic customer (credit sales divided by the average accounts receivable).
 - ii. Calculate the average credit term for each domestic customer by dividing 365 by the accounts receivable turnover
 - (b) Do you have short term borrowings or an overdraft facility? If yes, what is the interest rate, or average of interest rates?
 - (c) Do you have term deposits or other cash product (e.g. bonds)? If yes, what is the interest rate, or average of interest rates?
2. Do you provide credit to any Australian customers in relation to sales of the goods (i.e. payment terms that are not on a cash or pre-payment basis)? If yes:

A: No

- (a) Do you provide a rolling credit facility to your Australian customers (i.e. no specific payment terms agreed at the time of sale)? If yes:
 - i. Calculate the accounts receivable turnover for each domestic customer (credit sales divided by the average accounts receivable).
 - ii. Calculate the average credit term for each domestic customer by dividing 365 by the accounts receivable turnover
- (b) If your Australian customers pay you into a foreign currency denominated account (question B-1.2(a) refers):
 - i. Do you have short term borrowings or an overdraft facility denominated in the same foreign currency? If yes, what is the interest rate, or average of interest rates?
 - ii. What is the interest rate, or average of interest rates, applying to term deposits or other cash product (e.g. bonds) denominated in the same foreign currency? If yes, what is the interest rate, or average of interest rates?

E-2 Packaging

1. What is the packaging used for your domestic sales of like goods?

A: Nude packing, few packing cases, materials: wood.

2. What is the packaging used for your export sales of the goods to Australia?

A: Fully enclosed packing cases, LVL synthetic non-fumigation materials.

3. If there are distinct differences in packaging between your domestic and export sales:
 - (a) Provide details of the differences

Comparison between domestic packaging and export packaging

Item	Domestic	Export
Form of packaging	Nude packing, few packing cases	Fully enclosed packing cases
Packaging materials	Wood	LVL synthetic non-fumigation materials
Price of packaging materials	CNY xxxxx~xxxxx Yuan /m ³	CNY xxxxx~xxxxx Yuan /m ³
Accounting method	CNY xxxx Yuan /m ³ , Confidential calculation methodology	CNY xxxx~xxxx Yuan /m ³ , Confidential calculation methodology

(b) Calculate the weighted average packaging cost for each model sold on the domestic market

A: Please refer to the table above for calculation of average domestic cost.

(c) Calculate the weighted average packaging cost for each model exported to Australia

A: Please refer to the table above for calculation of average cost for export to Australia.

E-3 Delivery

1. Are any domestic sales of like goods delivered to the customer? If yes, how were the transportation costs calculated in the domestic sales listing in D-2?

A: Yes. According to the design parameters such as product weight, dimension, etc., in combination of delivery address and delivery type of the items, the transport vehicle is chosen and the transport distance is calculated to finally calculate the transport cost of domestic sales.

2. What are the delivery terms of the export sales of the goods to Australia?

A: FOB China Port.

3. If the delivery terms of the Australian sales includes delivery to the port, how were the inland transport and port charges calculated in the Australian sales listing in B-2?

A: The inland freight is divided into two parts: highway transportation freight and inland waterway transportation freight. Transport vehicle and vessel are chosen mainly according to the product parameters such as weight and dimension, and the cost is calculation in combination of transport distance.

Port dues: the port charge is calculated according to the product parameters of weight and dimension, and the cost of cargo space booking/custom clearance/storage and supervision in the port area is calculated according to the point-in-time when the ship pulls in to the port.

4. If the delivery terms of the Australian sales includes ocean freight, how was the ocean freight cost calculated in the Australian sales listing in B-2?

A: Delivery is FOB China Port.

5. If the delivery terms of the Australian sales includes marine insurance, how was the marine insurance calculated in the Australian sales listing in B-2?

A: Delivery is FOB China Port.

6. If the delivery terms of the Australian sales includes delivered duty paid, how were the Australian importation and delivery costs calculated in the Australian sales listing in B-2?

A: Delivery is FOB China Port

E-4 Other direct selling expenses

1. Do you provide sales commissions for domestic sales of like goods and/or export sales of the goods? If yes, provide details.

A: No

2. Are there any differences in tax liability between domestic and export sales? If yes, provide details, for example:

- What is the rate of value-added tax (VAT) on sales of the goods and like goods?

A: 16%

- How is VAT accounted for in your records in relation to sales of the goods and like goods?
- Do you receive a VAT refund in relation to sales of the goods and/or like goods?

A: Yes.

- Do you receive a remission or drawback of import duties on inputs consumed in the productions of the goods or like goods?

A: No

3. Are there any other direct selling expenses incurred by your company in relation to domestic sales of like goods?

A: No

- These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

4. Are there any other direct selling expenses incurred by your company in relation to export sales of the goods to Australia?

A: No

- These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

E-5 Other adjustment claims

1. Are there any other adjustments required to ensure a fair comparison between the export price and the normal value (based on domestic sales, costs and/or third country sales)? If yes, provide details.

- An adjustment will only be made where there is evidence that the difference affects price comparability.
- Refer to Chapter 14 of the Dumping and Subsidy Manual for more information.

A: Each power transformer produced by CTC is produced to the customers unique specifications and terms and conditions of the sale, whether sold domestically or sold for export. There is no direct comparison between a power transformer sold on domestic market and a power transformer sold for export to Australia. If a comparison is to be made between domestically sold power transformers and the power transformers sold to Australia significant specification adjustments

would need to be made subject to the method chosen for comparison and the units chosen for comparison. The specifications of each power transformer is a determinant factor affecting price comparison.

SECTION F THIRD COUNTRY SALES

F-1 Third country sales process

1. Are your sales processes to any third country (i.e. exports to countries other than Australia) different to the sales process described in B-1.1? If yes, provide details of the differences.

A: No.

2. Are there any third country customers related to your company?

A: No

If yes, please provide a list of each related customer and provide details on how the selling price is set.

Country	XXXXXXXX	XXXXXXXX	XXXXXX
Number of customers	XX	XX	XX
Class of trade	Distributor	Distributor	Distributor
Quantity	XX	XX	XX
Price	XXXXXXXX	XXXXXX	XXXXXX
Currency	USD	USD	USD
Payment terms	Confidential payment terms	Confidential payment terms	Confidential payment terms
Transport terms	FOB China Port	FOB China Port	FOB China Port

3. The invoice date will normally be taken to be the date of sale. If you are making a claim that a different date should be taken as the date of sale:

(a) What date are you claiming as the date of sale?

(b) Why does this date best reflects the material terms of sale?

F-2 Third country sales listing

1. Complete the worksheet named "F-2 Third country sales"
 - This worksheet lists all export sales, summarised by country and customer, to third countries of like goods invoiced within the period.
 - If you have claimed in F-1.3 that the date of sale is one other than the invoice date, then add sales with your claimed date of sale.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

A. Refer Confidential Attachment – CTC EQ spreadsheets – F-2 Third Country Sales

2. Provide a table listing the source of the data for each column in the export sales listing (F-2.1).

A. To be provided at on-site verification

F-3 Differences in sales to third countries

1. Are there any differences in sales to third countries which may affect their comparison to export sales to Australia? If yes, provide details.

A: The sales price may vary according to the different requirements of customers, but there is no difference in the policy for determining the sales price.

SECTION G COST TO MAKE AND SELL

G-1. Production process

1. Describe the production process for the goods and 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.

A: Please refer to Confidential Attachment - G-1.1 Flow chart of Transformer manufacturing. Confidential production information.

Confidential production information.

2. Are any of your suppliers related to your company (regardless of whether it is relevant to the manufacture of the goods)? If yes, please provide details including the product or services supplied by the related company.

A: No.

G-2. Cost accounting practices

1. Is your company's cost accounting system based on actual or standard costs (budgeted)?

A: Our company applies actual cost method.

2. If your company uses standard costs:

- (a) Were standard costs used as the basis of actual costs in your responses G-3.1 & G-5.1?
- (b) Have all variances (i.e. differences between standard and actual production costs) been allocated to the goods?
- (c) How were those variances allocated?
- (d) Provide details of any significant or unusual cost variances that occurred during the period.

3. Do you have different cost centres in your company's cost accounting system? If yes, list the cost centres, provide a description of each cost centre and the allocation methodology used in your accounting system.

A: No.

4. To what level of product specificity (models, grades etc.) does your company's cost accounting system normally record production costs?

A: According to the models of transformers (capacity and voltage).

5. Are there any costs for management accounting purposes valued differently to financial accounting purposes? If yes, provide details of the differences.

A: The value is equal.

6. Has your company engaged in any start-up operations in relation to the goods? If yes:

A: No.

- (a) Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.
- (b) 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.

7. What is 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)?

A: Confidential Valuation methodology.

8. What are the valuation methods for damaged or sub-standard goods generated at the various stages of production?

A: Confidential Valuation methodology.

9. What are the valuation methods for scrap, by products, or joint products?

A: Confidential Valuation methodology.

10. Are any management fees/corporate allocations charged to your company by your parent or related company? If yes, provide details

A: Confidential Management practices.

G-3 Cost to make and sell on domestic market

1. Complete the worksheet named "G-3 Domestic CTMS".

- Please provide the actual cost to make and sell each model/type (as identified in section C) of the like goods sold on the domestic market. Provide this cost data for each unique unit of the goods invoiced during the investigation period.
- Indicate the source of cost information (account numbers etc) and/or methods used to allocate cost to the goods. Provide documentation and worksheets supporting your calculations.
- If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture like goods, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as 'other costs' if not already included, for example, under material costs.
- You must provide this list in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.

A. Refer Confidential Attachment – CTC EQ spreadsheets – G-3 Domestic CTMS

2. Provide a table listing the source of the data for each column of the "Domestic CTMS" listing (G-3.1).

A. To be provided during on-site verification

G-4 Selling, General & Administration expenses

1. Complete the worksheet named "G-4.1 SG&A listing".

- This worksheet lists all selling, general and administration expenses by account code for the most recent accounting period and the period.
- You must provide this list in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.

A. Refer Confidential Attachment – CTC EQ spreadsheets – G-4.1 SG&A listing

2. Complete the worksheet named "G-4.2 Domestic SG&A calculation".

A. Refer Confidential Attachment – CTC EQ spreadsheets – G-4.2 SG&A calculations

- This worksheet calculates SG&A as a percentage of revenue.
- You must provide this list in electronic format using the template provided.
- Please use the formulas provided.

G-5 Cost to make and sell the goods exported to Australia

1. Complete the worksheet named "Australian CTMS".

- Please provide the actual cost to make and sell each model/type (as identified in section C) exported to Australia.
- Provide this information for all goods invoiced during the investigation period and for all goods the subject of a contract that was entered into during the investigation period, but invoiced or delivered outside of the investigation period. Where actual costs are not yet incurred, provide an estimate of these costs, such as for example, the estimate of the costs that formed the basis of your winning tender bid.
- Provide this information for each unique unit of the goods contracted for sale or invoiced during the period of the investigation. For example, if one contract specifies production of two different types of the goods, provide this information for each type of the goods.
- If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture the goods, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as 'other costs' if not already included, for example, under material costs.
- You must provide this list in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.
- If you have claimed in B-1.8 that the date of sale is one other than the invoice date, then provide the cost for the duration that all Australian sales are made within your claimed date of sale, even if doing so means that such cost data predates the commencement of the period.

A. Refer Confidential Attachment – CTC EQ spreadsheets – G-5 Australian CTMS

2. Provide a table listing the source of the data for each column of the "Australian CTMS" listing (G-5.1).

A. To be provided at on-site verification

G-6 Cost allocation methodology

1. What is the allocation methodology used to complete in G-3 Domestic CTMS and G-5 Australian CTMs for:

- (a) Raw materials
- (b) Labour
- (c) Manufacturing overheads

A: Raw materials: direct material cost; labour: direct labour cost; manufacturing overheads: Confidential Allocation methodology.

2. Select the domestic model (export model if you have no domestic production of like goods) with the largest production cost over the period and provide worksheets demonstrating the allocation

methodology described in G-6.1 from your normal cost accounting system to the cost for that model reported in G-3.1.

A: This is large task. Unable to complete in timeframe given. Continuing to prepare and will be provided at on-site verification.

G-7 Major raw material costs

1. What the major raw materials used in the manufacture of the goods? List the raw materials (or components) and suppliers in the worksheet named G-7.1.

A: Refer Confidential Attachment – CTC EQ spreadsheets – G-7.4 as these are the major raw materials.

2. Are any raw materials sourced as part of an integrated production process or from a subsidiary company which your company exercise control? If yes, provide details of these in worksheet G-7.2.

A: No.

3. Using the domestic cost data in G-3, calculate the weighted average percentage of each raw material cost (listed in G-7.1) as a proportion of total cost to make.

4. For each raw material identified in G-7.1 which individually account for 10% or more of the total cost to make, complete the worksheet named “G-7.4 Raw material purchases”.

- This worksheet lists all raw material purchases (i.e. transaction by transaction) purchased by your company within the period.
- You must provide this list in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.

A. Refer Confidential Attachment – CTC EQ spreadsheets – G-7.4 Raw Material Purchases

5. Provide a table listing the source of the data for each column of the “Raw material purchases” listing (G-7.4).

A. To be provided at on-site verification

6. For each raw material:

- (a) Select the two largest invoices by value and provide the commercial invoice and proof of payment.

A: Refer to Confidential Attachment G-7-6(a).

- (b) Reconcile the total value listed of the purchases in G-7.4 to relevant purchase ledgers or trial balances in your accounting system. Provide copies of all documents used to demonstrate the reconciliation.

A: Refer to Confidential Attachment – CTC EQ spreadsheets –G-7.4 Raw material purchase.

7. Are any of the suppliers listed in G-7.4 related to your company? If yes, please provide details on how the price is set.

A: No.

G-8 Reconciliation of cost to make to audited financial statements

1. Please complete the worksheet named “Upwards costs”.

- You must provide this list in electronic format using the template provided.

- Please use the currency that your accounts are kept in.
- If you have used formulas to complete this worksheet, these formulas must be retained.

A: Refer to Confidential Attachment – CTC EQ spreadsheets –G-8 Upwards costs

2. Please provide any documents, other than those in A-5, G-3 and G-5, required to complete the “Upwards costs” worksheet.
3. For any amount that is hard coded (i.e. not a formula), please cross-reference by providing:
 - the name of the source document, including the relevant page number, in column F of the worksheet; and
 - highlight or annotate the amount shown in the source document.

A. To be provided at on-site verification

G-9 Capacity Utilisation

1. Please complete the worksheet named “Capacity Utilisation”.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

A: Refer to Confidential Attachment – CTC EQ spreadsheets –G-9 Capacity Utilisation

EXPORTER'S DECLARATION

FOR OFFICIAL USE ONLY / CONFIDENTIAL

EXPORTER'S DECLARATION

I hereby declare that... **Changzhou Toshiba Transformer Company Limited** ... (company) 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: ... **Maramutsu Koji**.....

Signature: ... *Koji Maramutsu*.....

Position in
Company: **President**.....

Date: **2019-05-06**.....

