



## Exporter Questionnaire

**Case number: 528**

**Product: Hot Rolled Coil Steel**

**From: Taiwan**

**Review period: 1 October 2018 to 30 September 2019**

**Response due by: 25 November 2019**

**Case manager:** [REDACTED]

**Phone: (03) 8539 2471**

**Return completed questionnaire to:**  
investigations1@adcommission.gov.au

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

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## INSTRUCTIONS

### Why you have been asked to fill out this questionnaire?

The Anti-Dumping Commission (the Commission) is conducting a review into hot rolled coil (HRC) HRC exported to Australia from Taiwan.

The Commission will use the information you provide to determine normal values and export prices over the review period (the period). This information will determine whether HRC is dumped.

### If you do not manufacture the goods

If you play a role in the export of the goods but do not produce or manufacture the goods (for example, you are a trading company, broker, or vendor dealing in the goods), it is important that you forward a copy of this questionnaire to the relevant manufacturers and inform the case manager of the contact details for these manufacturers **immediately**.

The Commission will still require your company to complete this exporter questionnaire except Section G – Cost to make and sell.

### What happens if you do not respond to this questionnaire?

You do not have to complete the questionnaire. However, if you do not respond, do not provide all of the information sought, do not provide information within a reasonable time period, or do not allow the Commission to verify the information, we may deem your company to be an uncooperative exporter. In that case the Commission must determine a dumping margin having regard to all relevant information.

Therefore, it is in your interest to provide a complete and accurate response to this exporter questionnaire, capable of verification.

### Extension requests

If you require a longer period to complete your response to this exporter questionnaire, you must submit a request to the case manager, in writing, for an extension to the due date for all or part of the questionnaire. This request must be made prior to the due date. A request for extension will be rejected if received after the due date.

When considering the extension request, the Commission will have regard to:

- the Commission's responsibility to conduct the case in a timely and efficient manner;
- the reasons why you could not provide a response within the whole period and not only the period remaining between the request and the due date;
- ordinary business practices or commercial principles;
- the Commission's understanding of the relevant industry;
- previous correspondence and previous dealings with your company; and
- information provided by other interested parties.

More information on extensions can be found in the Customs (Extension of Time and Non-cooperation) Direction 2015 at <https://www.legislation.gov.au/Details/F2015L01736>.

You will be informed of the decision whether your request for an extension has been rejected, granted in full or granted in part. For example, you may be granted an extension to submit all sections except for Section A or you may be granted a shorter extension than you requested.

A summary of any requests and grants of extensions to submit a response to this exporter questionnaire will be published in the public record.

### Submitting a response to the exporter questionnaire

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Responses to the exporter questionnaire should be lodged by email listed on the cover page. In submitting the response to the exporter questionnaire, you must answer all questions, include all attachments and spreadsheets, and provide a non-confidential version of your response to this exporter questionnaire.

If your response to this exporter questionnaire contains major deficiencies that, in the Commissioner's view, cannot be quickly and easily rectified in a further response, then your company may be deemed as an uncooperative exporter.

### **Confidential and non-confidential responses**

You are required to lodge a confidential version (for official use only) and a non-confidential version (for public record) of your response to this exporter questionnaire by the due date. Please ensure that *each page* of information you provide is clearly marked either "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD".

All information provided to the Commission in confidence will be treated accordingly. The non-confidential version of your submission will be placed on the public record, and must contain sufficient detail to allow a reasonable understanding of the substance of the information, but does not breach confidentiality nor adversely affect those interests.

A person is not required to provide a summary for the public record if the Commission can be satisfied that no such summary can be given that would allow a reasonable understanding of the substance of the information.

All submissions are required to have a bracketed explanation of deleted or blacked out information for the non-confidential version of the submission. An example of a statement to accompany deleted/blacked out text is:

[Explanation of cost allocation through the divisions, by reference to machine hours or weight].

If such an explanation is not provided, the Commission may disregard the information in the submission. Where the public record version of your response to the exporter questionnaire does not contain sufficient detail, your company may be deemed to have significantly impeded the case and be deemed an uncooperative exporter.

### **Verification of the information that you supply**

The Commission may wish to conduct a visit to your company to verify your questionnaire response for completeness, relevance and accuracy of the information to your company's records.

The verification visit is not meant to be a chance for you to provide new or additional information. The Commission expects your response to the questionnaire to be relevant, complete and accurate.

Any verification visit typically commences approximately 2 to 4 weeks after the due date of the response to the exporter questionnaire. To assist with planning of a verification visit, please contact the case manager as soon as possible for a potential verification date to be scheduled.

Verification is usually conducted over 4 days. However, in complex cases, a verification visit may be scheduled over 5 days. A verification visit will include a detailed examination of your company's records and we will collect copies of relevant documents. The verification will require the participation of key staff, including your financial accountant, production manager and sales staff. A tour of the manufacturing facility may also be required during the verification visit.

Note that the Commission may disregard any data or information that is not verified, including new or additional information provided after the verification visit.

A report will be prepared following the verification visit, which details the outcomes of the visit. This report will be placed on the public record and may include the publication of the preliminarily-assessed

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dumping margin. The Commission considers that the dumping margin is not confidential information, but rather an aggregate figure derived from confidential data.

You will be provided with an opportunity to comment on the accuracy and confidentiality of the verification report prior to its publication on the public record.

The Commission may elect to undertake an alternative verification methodology than an on-site verification to satisfy itself of the completeness, relevance and accuracy of the data.

For information on the Commission's verification procedures, refer to Anti-Dumping Notice No. 2016/30 available on the Commission's website.

### **Important instructions for preparing your response**

- All questions in this exporter questionnaire must be completed. If a question is not applicable to your situation, please answer the question with "Not Applicable" and provide an explanation as to why.
- All questions must be answered in English. An English translation must be provided for documents not originally in English.
- Clearly identify all units of measurement (e.g. KG) and currencies (e.g. AUD) used. Apply the same measurement consistently throughout your response to the questionnaire.
- Label all attachments to your response according to the section of the questionnaire it relates to (e.g. label the chart of accounts as Attachment A-4.6)
- The data must be created as spreadsheet files in Microsoft Excel.
- If you have used formulas to complete spreadsheets, these formulas must be retained and not hard-coded.
- You must retain all worksheets used in answering the questionnaire. Be prepared to provide these worksheets during the Commission's verification of your data.
- If you cannot present electronic data in the requested format contact the case officer as soon as possible.
- Where possible, electronic data should be emailed or shared with the Commission via SIGBOX, a secure online document repository. Please contact the case manager to request access to SIGBOX if required.

## 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 Company information	V
Section B Export sales to Australia	V
Section C Exported goods & like goods	V
Section D Domestic sales	V
Section E Due allowance	V
Section F Third country sales	V
Section G Cost to make and sell	V

### EXPORTER'S

I hereby declare that SHANG CHEN STEE questionnaire and, having made due inquiry, submission is complete and correct to the be

Name: Zong-Jing, Yu

Signature: 

Position in Company: General Manager

Date: 6/12/2019

V

Non-confidential version of this response	V
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Attachments	Please tick if you have provided spreadsheet
B-2 Australian sales	V
B-4 Upwards sales	V
B-5 Upwards selling expenses	V
D-2 Domestic sales	V

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F-2 Third country sales	V
G-3 Domestic CTM	V
G-4.1 SG&A listing	V
G-4.2 Dom SG&A calculation	V
G-5 Australian CTM	V
G-7.2 Raw material CTM	N/A
G-7.4 Raw material purchases	V
G-8 Upwards costs	V

## GOODS UNDER CONSIDERATION / GOODS SUBJECT TO ANTI-DUMPING MEASURES

The goods subject to anti-dumping measures (the goods) are:

Full description of the goods the subject of the application
<p>The goods subject to anti-dumping measures, in the form of a dumping duty notice<sup>1</sup> (the goods), are:</p> <p style="padding-left: 40px;">Hot rolled coil (including in sheet form), a flat rolled product of iron or non-alloy steel, not clad, plated or coated (other than oil coated).</p> <p style="padding-left: 40px;">Goods excluded from this application are hot rolled products that have patterns in relief (known as checker plate) and plate products.</p>
Further information
<p>There are several relevant international standards for hot rolled coil (HRC) covering the range of products based on grade designations, including the recommended or guaranteed properties of each of these product grades. The relevant Australian Standard that applies is AS/NZS 1594.</p> <p>Hot rolled sheet 4.75 millimetres (mm) thick or more is considered to be plate, and is not covered by the notice. Hot rolled sheet below 4.75mm thick is included within the goods description.</p>
Tariff classifications
<p>The goods subject to the measures may be classified to the following tariff subheadings of Schedule 3 to the <i>Customs Tariff Act 1995</i>:</p> <ul style="list-style-type: none"> <li>• 7208.26.00 statistical code 33;</li> <li>• 7208.27.00 statistical code 34;</li> <li>• 7208.39.00 statistical code 38;</li> <li>• 7208.53.00 statistical code 42;</li> <li>• 7208.54.00 statistical code 43;</li> <li>• 7208.90.00 statistical code 39;</li> <li>• 7211.19.00 statistical code 41.</li> </ul>

### Model Control Code

Details of the model control code (MCC) structure for the goods are detailed in the table below. Export sales data (Section B-2), domestic sales data (Section D-2) and cost to make and sell data (Section G-3, G-4 & G-5) submitted in this response must follow this MCC structure. At a minimum, the data must report sales and cost data separately for each of the mandatory MCC categories identified by the Commission.

Category	Sub-category	Identifier	Sales Data	Cost data	Key category
Quality	Prime	P	Mandatory	Not applicable	Yes
	Non-Prime	N			
Form	Coil	C	Mandatory	Mandatory	Yes
	Sheet	S			
Surface condition	As rolled	A	Mandatory	Mandatory	Yes
	Pickled (with or without oil)	PI			
Standard/Grade	HA1(S) / G250 / HA250 / SPHC / SS400 (AS1594 / JIS G3131 / JIS G3101)	1	Mandatory	Mandatory	Yes

<sup>1</sup> ADN [2012/66](#)



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Category	Sub-category	Identifier	Sales Data	Cost data	Key category
	G300 / HA300 (AS1594)	2			
	G350 / HA350 / SS490 (AS1594 / JIS G 3106)	3			
	HW350 / SMA490 / 'Corten' (AS 1594 / JIS G 3114 )	4			
	Other	5			
Thickness (BMT)	< 1.6mm	T1	Mandatory	Mandatory	Yes
	=>1.6mm to <2.0mm	T2			
	=>2.0mm to <4.75mm	T3			
	=>4.75mm to <13mm	T4			
	=>13mm	T5			
Width	<= 1000 mm	W1	Mandatory	Mandatory	Yes
	>1000 mm	W2			

In constructing a MCC, use a "-" between each category. For example: P-C-PI-1-T1-W1

The MCCs will be used to model match export models to the identical or comparable domestic models. In addition, the MCCs will be used to determine the profitability of domestic sales in the ordinary course of trade test by comparing domestic selling prices to the corresponding cost to make and sell. The MCC may also be used to compare the export price to the cost to make the exported model as part of the constructed normal value.

If there are models manufactured and sold by your company that do not align within the MCC structure above, this should be raised by lodging a submission with the Commission as soon as is practicable, but no later than the time this questionnaire is due, otherwise the response may be deemed deficient.

## SECTION A COMPANY INFORMATION

### A-1 Company representative and location

1. Please nominate a contact person within your company:

*Head Office:* *SHANG CHEN STEEL CO., LTD.*  
*Name:* *Mr. Zong-Jing Yu*  
*Position in the company:* *General Manager*  
*Address:* *No.7, Daye S. Rd., Xiaogang Dist., Kaohsiung City 812, Taiwan (R.O.C.)*  
*Telephone:* *886 – 7871-6911*  
*Facsimile number:* *886 – 7871-4153*  
*E-mail address of contact person:* *[ssstyw@gmail.com](mailto:ssstyw@gmail.com)*

*Factory:*  
*Address:* *No.7, Daye S. Rd., Xiaogang Dist., Kaohsiung City 812, Taiwan (R.O.C.)*  
*Telephone:* *886 – 7871-6911*  
*Facsimile number:* *886 – 7871-4153*  
*E-mail address of contact person:* *[ssstyw@gmail.com](mailto:ssstyw@gmail.com)*

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

*Name:* *Mr. John Bracic*  
*Address:* *PO Box 3026*  
*Manuka, ACT 2603*  
*Telephone:* *+61 499 056 729*  
*Facsimile/Telex number:*  
*E-mail address of contact person:* *[john@jbracic.com.au](mailto:john@jbracic.com.au)*

*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.

*The accounting records of SCS are located at No.7, Daye S. Rd., Xiaogang Dist., Kaohsiung City 812, Taiwan (R.O.C.).*

4. Please provide the location of the where the company's production records are held.

*SCS's production records are located at No.7, Daye S. Rd., Xiaogang Dist., Kaohsiung City 812, Taiwan (R.O.C.).*

### A-2 Company information

1. What is the legal name of your business?

*SHANG CHEN STEEL CO., LTD. ("SCS") is a privately-held company limited by shares.*

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2. Does your company trade under a different name and/or brand? If yes, provide details.

*SCS does not trade under a different name or brand.*

3. Was your company ever known by a different legal and/or trading name? If yes, provide details

*SCS has no other business or trade names.*

4. Provide a list of your current board of directors and any changes in the last two years.

*Report as instructed. Please see Exhibit A-2-4 List of Directors of SCS. There is no change in the last two years for SCS's board of directors.*

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

*A diagram depicting the direct and indirect ownership of SCS and its affiliates is provided in Exhibit A-2-5-a.*

[Redacted] . *[Details of trading relationships]*

[Redacted]

[Redacted]

[Redacted]

*[Details of trading relationships]*

6. Is your company or parent company publically listed?

If yes, please provide:

- (a) The stock exchange where it is listed; and
- (b) Any principle shareholders<sup>2</sup>

If no, please provide:

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

*SCS is not a publically listed company. Please refer to Exhibit A-2-6 for SCS's List of Shareholders.*

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.

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<sup>2</sup> 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.

*SCS produces and sells the following three broad-based product groups:*

*Hot Rolled Steel Coil, including Hot Rolled Band (HRB), Hot Rolled Coil (HRC) and Hot Rolled Sheet (HRS);*

*Cold Rolled Steel Coil (CRC);*

*Hot Rolled Steel Plate (HRP).*

*Only HRB, HRC and HRS with thickness less than 4.75 mm fall within the scope of the goods under consideration.*

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.

*SCS produces and sells the goods under consideration in domestic market and to Australia as well as other countries.*

9. Provide your company's internal organisation chart.

*Please see **Exhibit A-2-9** Company Organization Chart for SCS's internal structure.*

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

*For administrative purposes, SCS is currently organized into three divisions: (1) Administration and Marketing, (2) Research and Technical Development, and (3) Production and Engineering. A description of the activities performed in each of these divisions is set forth below.*

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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

Please refer to **Exhibits A-2-11** for SCS's product catalogue.

### A-3 General accounting information

1. What is your financial accounting period?

*SCS's accounting period is from January 1st to December 31st.*

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

*SCS's financial statements are audited by the certified public accountant, [REDACTED]*

3. What currency are your accounts kept in?

*The accounts of SCS are maintained in New Taiwan Dollars, the functional currency.*

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

*SCS uses basic commercial accounting software developed by a local provider to book its accounts, which provides only basic booking-keeping functions. This system is referred to by SCS as the "[REDACTED]" system, [REDACTED]*

5. What is the name of your sales system?

*SCS does not have a separate sales system. Basic sales information of invoice date, customer, product type, quantity and value are maintained in the sales ledger.*

6. What is the name of your production system?

*SCS's production plant uses [REDACTED] to control and monitor the inventory movement of the key raw material, i.e., slab, and the production of hot-rolled coils.*

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.

*Please refer to **Exhibit A-3-7** for the flowchart of SCS's financial and cost accounting system.*

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

*SCS's accounting practices are consistent with the Generally Accepted Accounting Principles ("GAAP") of Taiwan.*

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

*No. SCS's accounting practices did not change during the last two years.*

## A-4 Financial Documents

1. Please provide the two 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.

*Please refer to **Exhibit A-4-1.a** for SCS's audited financial statements of 2018 and **Exhibit A-4-1.b** for [REDACTED] audited financial statements of 2018.*

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.

*SCS's and its related company's financial statements provided in Exhibits A-4-1.a and A-4-1.b are audited. This question is not applicable.*

3. Does your company maintain different profit centres? If yes, provide profit & loss statements for the profit centre that the goods falls into for:
  - (a) the most recent financial year; and
  - (b) the period.

*SCS's normal financial and cost accounting system treat the entire plant as one profit / cost centre. SCS does not prepare financial statements or profit-and-loss reports for individual product lines.*

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.

*Please refer to **Exhibit A-4-4** for SCS's internal income statements covering the most recent financial period 2018 and the review period.*

5. Please provide a copy of your company's trial balance (in Excel) covering the period and the most recent financial year.

*Please refer to **Exhibit A-4-5** for SCS's trial balance covering the most recent financial period 2018 and the review period.*

6. Please provide your company's chart of accounts (in Excel).

*Please see **Exhibit-A-4-6** Chart of Accounts of SCS.*

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

## SECTION B EXPORT SALES TO AUSTRALIA

If your company exported low or no volumes of the goods to Australia during the review period, please contact the case manager as soon as possible. You may be required to complete this section (and G-5) as it relates to export sales to a country other than Australia. You may also be asked other supplementary questions. Extensions will not be granted as a result of delays in contacting the case manager in this regard.

### 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

*Please see Exhibits B-1-1-a and B-1-1-b for the sales process and distribution channel of Australian sales.*

2. In what currency do you invoice your customers for goods exported to Australia? If it is not in your local currency:
  - (a) Do your customers pay you into a foreign currency denominated account? If yes, provide details;
  - (b) Do you use forward contracts to lock in the foreign exchange rate relating to the export sales? If yes, provide details;
  - (c) How is the exchange rate determined in your accounting system and how often is it updated?

*SCS invoices customers for goods exported to Australia in U.S. dollars and customers pay in U.S. dollars as well. SCS does not use forward contracts. Transactions denominated in foreign currencies are converted into New Taiwan Dollars at the exchange rates, published by the Taiwan Customs every 10 days, prevailing at the invoice dates.*

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

*SCS is not related to its Australian customers.*

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



[Details of price adjustments]

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.

*There is only one channel of distribution of export sales to Australia. All export sales to Australia of the goods under consideration are made between SCS and unrelated Australian traders.*

6. Did you provide on-invoice discounts and/or off-invoice rebates to any customer or an associate of the customer in relation to the sale of the goods exported to Australia 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.

*No discounts, rebates or allowances were offered by SCS on export sales to Australia during the review period.*

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 exported to Australia during the period? If yes, provide details of the credit/debit notes including the reasons the credit/debit notes were issued.

*SCS did not issue any credit notes to the customers in Australia during the review period.*

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:
- What date are you claiming as the date of sale?
  - Why does this date best reflect the material terms of sale?

*The date of sale for Australian sales is reported as the invoice date as instructed.*

## B-2 Australian sales listing

1. Complete the worksheet named "B-2 Australian sales"
- This worksheet lists all sales (i.e. transaction by transaction) exported to Australia of the goods invoiced within the period. This includes exports to Australia sold through a domestic customer.
  - 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.

*Report as instructed. Please see Exhibit B- 2 Australian sales.*

2. Provide a table listing the source of the data for each column in the "B-2 Australian sales" listing.

*The source of sales data in Australian sales listing is SCS's sales ledger, relevant export sales expenses ledger and the summary table of export sales detail maintained by the export sales personnel in usual practice.*



### B-3 Sample export 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
  - Invoices for inland transport
  - Invoices for port handling and other export charges
  - Bill of lading
  - Invoices for ocean freight & marine insurance (if applicable)
  - Country of origin certificates (if applicable)

*Please see Exhibits B-3-1-a and B-3-1-b for documentation of the following two largest invoices by invoice value to Australia:*

• Invoice number: [REDACTED]; and

• Invoice number: [REDACTED].

*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 “B-2 Australian sales” listing to the source documents in B-3.1.

*Annotations are provided as instructed in Exhibits B-3-1-a and B-3-1-b.*

### B-4 Reconciliation of sales to financial accounts

1. Please complete the worksheet named “B-4 Upwards sales” to demonstrate that the sales listings 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.
2. Please provide all documents, other than those in A-4, B-2 and D-2, required to complete the “B-4 Upwards sales” worksheet. If the documents include spreadsheets, all formulas used must be retained.
3. For any amount in the “B-4 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 D of the worksheet; and
  - highlight or annotate the amount shown in the source document.

*Please refer to Exhibit B-4 Upwards sales for demonstration of the completeness of sales listings in B-2, D-2 and F-2.*

### 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.

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- If you have used formulas to complete this worksheet, these formulas must be retained.
- 2. Please provide all documents, other than those in A-4, B-2 and D-2, required to complete the “B-5 Upwards selling expense” worksheet. If the documents include spreadsheets, all formulas used must be retained.
- 3. For any amount in the “B-5 Upwards selling expense” 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 C of the worksheet; and
  - highlight or annotate the amount shown in the source document.

*Please refer to **Exhibit B-5** Upwards selling expense for demonstration of the completeness of direct selling expenses in B-2 and D-2.*

## SECTION C EXPORTED GOODS & LIKE GOODS

The Commission considers the MCC structure in and of itself is not likely to be commercially sensitive information. Any claim that disclosing the MCC information is confidential or would adversely affect your business or commercial interests must be raised by lodging a submission as soon as practicable, but no later than the time this questionnaire is due.

### 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.

*The goods under consideration SCS exported to Australia during the review period include hot-rolled coils, hot-rolled strips and hot-rolled sheets with thickness below 4.75 millimetres. The specifications of the goods under consideration exported to Australia are listed in the following table:*

<i>Product Category</i>	<i>MCC Category 4-Standard</i>	<i>Specification</i>
██████████	█	██████████
	█	██████████
██████████	█	██████████
	█	██████████
	█	██████████
██████████	█	██████████
	█	██████████
	█	██████████

*Please refer to Exhibit A-2-11 for a product catalogue with specifications in details.*

*Also, please refer to the two sample mill certificates provided in Exhibits B-3-1-a and B-3-1-b.*

2. Provide a list of MCCs of the goods exported to Australia. This must cover all MCCs listed in the Australian sales listing in B-2.
  - This list must be disclosed in the public record version of the response.

*The list of MCCs listed in the Australian sales listing in Exhibit B-2 is provided in Exhibit C-1-2.*

*For those MCCs exported to Australia without sales in the domestic market in the same quarter, following adjustments for each parameter of MCC can be made to ensure the fair comparison:*

<i>MCC Category</i>		<i>Adjustment</i>	<i>Reference</i>
2	<i>Form</i>	[REDACTED]	[REDACTED]
4	<i>Standard</i>	[REDACTED]	[REDACTED]
		[REDACTED]	[REDACTED]
5	<i>Thickness</i>	[REDACTED]	[REDACTED]
		[REDACTED]	[REDACTED]
6	<i>Width</i>	[REDACTED]	[REDACTED]
		[REDACTED]	[REDACTED]

**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.

*The goods under consideration SCS sold in the domestic market during the review period include hot-rolled coils, pickled and oiled hot-rolled coils, hot-rolled sheet and a small quantity of non-prime hot-rolled sheet. The specifications of the goods under consideration sold in the domestic market are listed in the following table:*

<i>Product Category</i>	<i>MCC Category 4-Standard</i>	<i>Specification</i>
[REDACTED]	[REDACTED]	[REDACTED]
		[REDACTED]
		[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
		[REDACTED]
		[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
		[REDACTED]
		[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
		[REDACTED]
		[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
		[REDACTED]
		[REDACTED]

*Please refer to Exhibit A-2-11 for a product catalogue with specifications in details.*

Also, please refer to the two sample mill certificates provided in Exhibits D-3-1-a and D-3-1-b.

XX  
XX  
XX  
XXXXXXXXXXXXXXXXXXXX

XX  
XX  
XXXXXXXXXXXXXXXXXXXXXXXXXXXX

XX  
XX  
XX  
XXXXXXXXXXXXXXXXXXXXXXXXXXXX.

*[Details relating to particular goods sold as exports and domestic like goods]*

2. Provide a list of MCCs of like goods sold on the domestic market. This must cover all MCCs listed in the domestic sales listing in D-2.
  - This list must be disclosed in the public record version of the response.

*The list of MCCs listed in the domestic sales listing in Exhibit D-2 is provided in Exhibit C-2-2.*

**C-3 Internal product codes**

1. Does your company use product codes or stock keeping unit (SKU) codes?  
If yes:
  - (a) Provide details of the product or SKU coding system for the goods, such as a legend or key of the meaning for each code within the product or SKU code.
  - (b) Provide details on how you mapped the product or SKU codes to the MCC for the purpose of completing this questionnaire.
  - (c) Provide a table of showing the product or SKU codes for each MCC.
 If no:
  - (a) Provide details on the method used to identify the MCC in the sales and cost spreadsheets.

*SCS does not use internal product codes for production-control, cost-accounting, or inventory-record purposes. Instead, it refers to products by an abbreviation of the product names, (i.e., HRB for hot-rolled bands, HRC for hot-rolled coils, HRP for hot-rolled plate, and HRS for hot-rolled sheets).*

*The MCC in the sales and cost spreadsheets is identified based on the specification and dimension information maintained in the production system and those carried in each sales or shipping document.*

## 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

*Please see Exhibits D-1-1-a and D-1-1-b for flowchart of domestic sales process and distribution channel.*



*[Details of price setting mechanism]*

*The customers would then place master orders with SCS for the total quantity to buy for the next month. During the month, the customers would issue individual orders to SCS for production arrangement and delivery.*



*[payment terms]*

*Selling price includes freight expenses if customers ask SCS to deliver the goods.*

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.

*During the review period, no domestic customers purchasing the goods under consideration from SCS are related to SCS.*

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



*[Description of factors affecting price]*

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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.

*No, SCS's prices do not vary by channels of distribution. SCS's prices are set based on product category, steel grade, specifications, volume and delivery schedule.*

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.

[Redacted] *[Details regarding price adjustments]*

*Please note that companies are required by Taiwanese tax authorities to issue a "Sale Rebate and Return Note" for each sales rebate, discount, price adjustment, or warranty-claim credit. However, the information about the reasons for which each "Sale Rebate and Return Note" issued is not maintained in the ledger. Thus, all sales rebates incurred in the investigation period, including those for warranty claims, were reported in the column of sales rebate and allocated to the total sales of corresponding customers in the same period.*

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.

*Please refer to SCS's answer provided in D-1.5 above.*

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:
- What date are you claiming as the date of sale?
  - Why does this date best reflects the material terms of sale?

*The date of sale for domestic sales is reported as the invoice date as instructed.*

## **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 B-1.8 and/or 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.

*Report as instructed. Please see Exhibit D-2 Domestic Sales.*

2. Provide a table listing the source of the data for each column in the "D-2 domestic sales" listing.

*The source of sales data in domestic sales listing is SCS's sales ledger, relevant inland freight ledger and shipping report.*

### 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

*Please see Exhibits D-3-1-a and D-3-1-b for domestic sales documentation in relation to these two sales:*

*•Invoice number [REDACTED]; and*

*•Invoice number [REDACTED].*

*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 “D-2 Domestic sales” listing to the source documents in D-3.1.

*Annotations are provided as instructed in Exhibits D-3-1-a and D-3-1-b.*

### D-4 Reconciliation of sales to financial accounts

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

*SCS has completed and provided all information in Exhibit B-4.*

1. Please complete the worksheet named “B-4 Upwards sales” to demonstrate that the sales listings in 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.
2. Please provide all documents, other than those in A-4, D-2 and F-2, required to complete the “B-4 Upwards sales” worksheet. If the documents include spreadsheets, all formulas used must be retained.
3. For any amount in the “B-4 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 D 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) 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?

[REDACTED]

[REDACTED]

*The calculation of the average accounts-receivable period for each domestic customer is provided in Exhibit E-1-1-a.*

[REDACTED]

*The calculation of the average interest rate on SCS's [REDACTED] during the review period is provided in Exhibit E-1-1-b.*

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) 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?

XX  
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX. *[Payment terms]*

**E-2 Packaging**

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

XX  
XX  
XX  
XXXXXXXXXXXXXXXXXXXX. *[Packaging description for export and domestic goods]*

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

*Please refer to SCS’s answer provided in E-1.2 above.*

3. If there are distinct differences in packaging between your domestic and export sales:

- (a) Provide details of the differences
- (b) Calculate the weighted average packaging cost for each model sold on the domestic market
- (c) Calculate the weighted average packaging cost for each model exported to Australia

*The differences in packing between SCS’s domestic and export sales as well as the average packing cost for each packing method are provided in Exhibit E-2-3.*

**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?

XX  
XXXXXXXXXXXXXXXXXXXX. *[Delivery terms]* *When the goods are delivered to the customer, inland freight has been reported on an actual basis and allocated by quantity for the goods shipped in the same shipment.*

*Please see Exhibit E-3-1 Inland Freight Schedule.*

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

XX  
XXXXXXXXXXXXXXXXXXXX. *[Export delivery terms]*

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?

*While the delivery term for Australian sales includes delivery to the port, inland freight and port charges incurred are reported on an actual basis and allocated by quantity for the goods shipped in the same shipment. Please see Exhibit E-3-3 for the export expenses calculation.*

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?

XX  
XXXXXXXXXXXXXXXXXXXX. *[Export delivery terms]*

**PUBLIC VERSION**

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?

[Redacted]

[Export delivery terms]

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?

[Redacted]

**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.

[Redacted]

[Statement regarding commissions]

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

*The value-added sales tax for domestic sales is five percent (5%), and 0% for export sales. According to Taiwan's VAT law and practice, VAT is not a cost to production because all tax collected from domestic sales ("output VAT") and all tax payable to purchases ("input VAT") in respect of production inputs and materials purchased) are first offset against each other, and the balance is either payable to tax authority or refundable therefrom.*

*Export to Australia is not subject to any tax exemption or drawback. Thus, SCS does not claim such adjustment.*

3. Are there any other direct selling expenses incurred by your company in relation to domestic sales of like goods?
- These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

*All direct selling expenses incurred in relation to domestic sales are reported in Exhibit D-2.*

4. Are there any other direct selling expenses incurred by your company in relation to export sales of the goods to Australia?
- These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

*All direct selling expenses incurred in relation to Australian sales are reported in Exhibit B-2.*

## 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 15 of the *Dumping and Subsidy Manual (November 2018)* for more information.

[Redacted]

[Statement regarding potential adjustments]

## 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.

*All export sales process is the same, so there were no differences in sales process to third countries from sales process to Australia.*

2. Are there any third country 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.

*No third country customers related to SCS.*

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?

*The question is not applicable because SCS does not make such claim.*

### 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.

*Report as instructed. Please see Exhibit F-2 for Third Country Sales.*

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

*The source of sales data in the third country sales listing is SCS's sales ledger and the summary table of export sales detail maintained by the export sales personnel in usual practice.*

### 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.

*Except different trade terms, there are no differences between SCS's sales to Australia and to other third countries.*

## 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.

*Please refer to Exhibit G-1 for the flowchart of production process of SCS.*

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.

[Redacted]

[Raw material supplier details]

### G-2. Cost accounting practices

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

*SCS does not adopt standard cost system. The cost accounting system is based on actual costs.*

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.

*SCS's cost accounting system is based on actual costs. This question is not applicable.*

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.

*SCS treats the entire plant as one cost centre and has no different cost centres in its cost accounting system.*

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

*In SCS's ordinary cost accounting practices, costs are tracked and collected on an aggregate basis, and books and records are closed at the year-end. SCS treats the entire plant as one cost centre, and distributes the annual aggregate input costs to three broad-based product categories: hot-rolled products (inclusive of HRB, HRC and HRS), cold-rolled products (CRC), and hot-rolled plates (HRP).*

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

**PUBLIC VERSION**

*SCS does not have separate management accounting system. Its cost accounting system is an integral part of its financial accounting system and is the base of its audited financial statements.*

6. Has your company engaged in any start-up operations in relation to the goods? If yes:
- Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.
  - 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.

*SCS did not engage in any start-up operation in relation to the goods under consideration.*

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)?

[REDACTED] *[Cost accounting methodology]*

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

*SCS allocated all production cost to all finished goods, including sub-standard goods.*

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

*Scrap is valued at [REDACTED].*

*SCS does not have by products or joint products.*

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

*Not applicable. SCS does not incur any management fees payable to, or corporation allocations with, its affiliated company.*

### **G-3 Cost to make on domestic market**

1. Complete the worksheet named "G-3 Domestic CTM".
- This worksheet lists the quarterly cost to make the domestic models of like goods by MCC manufactured within the period, even if they are models not exported to Australia.
  - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold) for each MCC.
  - 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.
  - If you have claimed in B-1.8 and/or D-1.7 that the date of sale is one other than the invoice date, then provide the cost for the quarters that all domestic sales are made within your claimed date of sale, even if doing so means that such cost data predates the commencement of the period.

*Please see **Exhibit G-3** for the quarterly cost of all MCC produced by SCS and sold in domestic market. Please also refer to the answer to G-6 below for detail of calculation methods.*

2. Provide a table listing the source of the data for each column of the "G-3 Domestic CTM" listing.

*The source of the data for each column of Exhibit G-3 Domestic CTM includes the production reports, slab consumption report, the slab purchase ledger, the direct labour cost ledger, manufacturing overheads ledger, scrap revenue and other revenue ledgers and processing fee ledger.*

## **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.

*Please see **Exhibit G-4-1** for SG&A listing.*

2. Complete the worksheet named "G-4.2 Domestic SG&A calculation".
  - This worksheet calculates the unit domestic SG&A for each MCC.
  - You must provide this list in electronic format using the template provided.
  - Please use the formulas provided.

*Please see **Exhibit G-4-2** for Domestic SG&A calculation.*

## **G-5 Cost to make the goods exported to Australia**

1. Complete the worksheet named "G-5 Australian CTM".
  - This worksheet lists the quarterly cost to make the Australian models of the goods under consideration by MCC manufactured within the period.
  - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold) for each MCC.
  - 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 quarters 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.

*Please see **Exhibit G-5** for the quarterly cost of MCC exported to Australia. Please also refer to the answer to G-6 below for detail of calculation methods.*

2. Provide a table listing the source of the data for each column of the "G-5 Australian CTM" listing.

*Please see SCS's reply in G-3.2 above.*



## G-6 Cost allocation methodology

1. What is the allocation methodology used to complete in G-3 domestic CTM and G-5 Australian CTM for:
  - (a) Raw materials
  - (b) Labour
  - (c) Manufacturing overheads

[Redacted]

### 1. Raw Material Cost - Slab

[Redacted]

### 2. Scrap recovery value

[Redacted]

### 3. Direct Labour and Factory Overheads

[Redacted]

[Redacted]

[Redacted]

[Redacted]

MCC Category-5 Thickness		MCC Category-6 Width	W1	W2
			$W \leq 1000$	$1000 < W$
T1	$T < 1.6$		■	■
T2	$1.6 \leq T < 2$		■	■
T3	$2 \leq T < 4.75$		■	■
T4	$4.75 \leq T < 13$		■	■

T5	$13 \leq T$		
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[Redacted]

MCC Category-5 Thickness		MCC Category-6 Width	
		W1 $W \leq 1000$	W2 $1000 < W$
T1	$T < 1.6$		
T2	$1.6 \leq T < 2$		
T3	$2 \leq T < 4.75$		
T4	$4.75 \leq T < 13$		
T5	$13 \leq T$		

[Redacted]

[Redacted]

4. SGA

[Redacted]

*[Confidential cost accounting methodology]*

2. Select the domestic model (export model if you have no domestic production of like goods) with the largest production volume 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.

*Please refer to Exhibits G-6-2.a and G-6-2.b for the Selected MCC Cost Illustration.*

**G-7 Major raw material costs**

1. What are the major raw materials used in the manufacture of the goods?  
[Redacted] *[raw material details]*
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, complete the worksheet named "G-7.2 Raw material CTM" for these raw materials.
  - This worksheet lists the quarterly cost to make the raw material manufactured within the period.
  - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold).
  - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture the raw material, report the costs excluding the imputation tax. All other taxes

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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.

[Redacted] *[Raw material supplier details]*

3. Using the domestic cost data in "G-3 Domestic CTM" (use "G-5 Australian CTM" if you have no domestic production of like goods), calculate the weighted average percentage of each raw material cost (listed in G-7.1) as a proportion of total cost to make.

[Redacted] *[raw material details]*

4. For each raw material identified in G-7.3 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.

*Please see Exhibit G-7-4 for purchase listing of raw material.*

5. Provide a table listing the source of the data for each column of the "G-7.4 Raw material purchases" listing.

*The source of the data reported in Exhibit G-7-4 raw material purchases listing is the slab purchase ledger and purchase documentation.*

6. For each raw material:
  - (a) Select the two largest invoices by value and provide the commercial invoice and proof of payment.
  - (b) Reconcile the total value listed in "G-7.4 Raw material purchases" listing to relevant purchase ledgers or trial balances in your accounting system. Provide copies of all documents used to demonstrate the reconciliation.

*Please see Exhibits G-7-6-a (i) and G-7-6-a (ii) for the sample documents for two largest invoices by value. The total purchase value listed in Exhibit G-7-4 can tie to the raw material purchases in the income statement of the review period provided in Exhibit A-4-4.*

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

[Redacted] *[Raw material supplier details]*

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

1. Please complete the worksheet named "G-8 Upwards costs" to demonstrate that the cost listings in G-3 and G-5 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.

*Please see Exhibit G-8 for the upwards costs reconciliation.*

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2. Please provide any documents, other than those in A-4, G-3 and G-5, required to complete the "G-8 Upwards costs" worksheet.

*Provided in Exhibit G-8 as instructed.*

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 D of the worksheet; and
  - highlight or annotate the amount shown in the source document.

*Provided in Exhibit G-8 as instructed.*

### **G-9 Capacity Utilisation**


4. 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.

*Report as instructed. Please see Exhibit G-9 for capacity utilisation.*

## EXPORTER'S DECLARATION

I hereby declare that SHANG CHEN STEEL CO., LTD. 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: Zong-Jing, Yu

Signature: 

Position in  
Company: General Manager

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Date: 6/12/2019