



Australian Government
Department of Industry, Science,
Energy and Resources

PUBLIC FILE

Anti-Dumping
Commission

Exporter Questionnaire

THE PEOPLE'S REPUBLIC OF CHINA

Case number: 550

Product: Precision pipe and tube steel

From: The People's Republic of China, the Republic of Korea, Taiwan and the Socialist Republic of Vietnam

Investigation period: 1 January 2019 to 31 December 2019

Response due by: Thursday 7 May 2020
(extension granted to May 31)

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

Anti-Dumping Commission website: 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 an investigation into precision pipe and tube steel (the goods) exported to Australia from the People's Republic of China (China), the Republic of Korea (Korea), Taiwan and the Socialist Republic of Vietnam (Vietnam).

The Commission will use the information you provide to determine normal values and export prices over the investigation period (the period). This information will determine whether precision pipe and tube steel is dumped. The Commission will also use the information you provide to determine whether precision pipe and tube steel exported to Australia from China has been in receipt of countervailable subsidies over the period.

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 Commission 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 and a subsidy 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 Commission, 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

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 (dumping) and or non-cooperative exporter (countervailing).

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, if this option is available to the Commission, to your company to verify your questionnaire response for completeness, relevance and accuracy.

However, on 20 March 2020, the Commission published *Anti-Dumping Notice No. 2020/029*,¹ advising that onsite exporter verification activities have been temporarily suspended until further notice as a result of the COVID-19 pandemic.

The Commission remains committed to ensuring that data submitted by parties is complete, relevant and accurate. If an onsite visit is not possible, the Commission may elect to undertake alternative verification activities. This includes but is not limited to remote verification, desktop assessments or delaying verification activities until such time as onsite verification is possible. The Commission will

¹ https://www.industry.gov.au/sites/default/files/adc/public-record/notice_adn_-_adn_2020-029_-_temporary_suspension_of_international_onsite_verification_0.pdf

continue to monitor current events and assess when the suspension of onsite exporter verification activities can be lifted.

A verification visit, or any verification activity 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.

Onsite verification is usually conducted over 4 days, remote and desktop verification may take a longer period of time. In complex cases, a verification visit, if conducted, may be scheduled over 5 days. A desktop verification may require a longer period.

Any verification activity 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, should an onsite visit be possible, 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 activity.

A report will be prepared following the verification activity, which details the outcomes of the verification. This report will be placed on the public record and may include the publication of the preliminarily-assessed dumping and subsidy margin. The Commission considers that the dumping margin and subsidy 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.

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 Commission 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 | <input checked="" type="checkbox"/> |
| Section B Export sales to Australia | <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 | N/A |
| Section G Cost to make and sell | <input checked="" type="checkbox"/> |
| Section H Particular market situation | <input checked="" type="checkbox"/> |
| Section I | <input checked="" type="checkbox"/> |
| Section J Production AND Production Costs | <input checked="" type="checkbox"/> |
| Section K Australian Market | <input checked="" type="checkbox"/> |
| L-1 GeneralSection L Countervailing | <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"/> |
| B-6 Historical sales | <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-7.2 Raw material CTM | <input checked="" type="checkbox"/> |
| G-7.4 Raw material purchases | <input checked="" type="checkbox"/> |
| G-8 Upwards costs | <input checked="" type="checkbox"/> |

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|---------------------------------|---|
| G-9 Capacity utilisation | ✓ |
| L-1 Company turnover | ✓ |
| L-3 Income tax | ✓ |
| L-4 Grants | ✓ |
| L-5 VAT and tariff transactions | ✓ |
| L-6 Preferential Loans | ✓ |

GOODS UNDER CONSIDERATION

The goods under consideration (the goods) i.e. the goods exported to Australia, allegedly at dumped prices and/or in receipt of countervailable subsidies, are:

Certain electric resistance welded pipe and tube made of carbon steel, whether or not including alloys, comprising circular, rectangular and square hollow sections in metallic coated and non-metallic coated finishes. Metallic finish types for the goods include galvanised and aluminised. Non-metallic finishes include hot-rolled and cold-rolled.

Sizes of the goods are, for circular products, those equal to or less than 21 millimetre ("mm") in outside diameter. Also included are air heater tubes to Australian Standard (AS) 2556, up to and including 101.6 mm outside diameter.

For rectangular and square products, those with a thickness of less than 1.6 mm (being a perimeter up to and including 260 mm).

Included within the goods are end-configurations such as plain, square-faced and other (e.g. threaded, swaged and shouldered).

The goods include all electric resistance welded pipe and tube made of steel meeting the above description of the goods (and inclusions), including whether the pipe or tube meets a specific structural standard or is used in structural applications.

Oval and other shaped hollow sections which are not circular, rectangular or square, are excluded from the goods.

Tariff Classification

The goods may be classified in Schedule 3 to the *Customs Tariff Act 1995* as follows:

| Tariff Subheading | Statistical Code | Description |
|-------------------|---|---|
| 7306 | OTHER TUBES, PIPES AND HOLLOW PROFILES (FOR EXAMPLE, OPEN SEAM OR WELDED, RIVETED OR SIMILARLY CLOSED), OF IRON OR STEEL: | |
| 7306.30.00 | Other, welded, of circular cross-section, of iron or non-alloy steel: | |
| | 30 | Not exceeding 21 mm external diameter |
| 7306.50.00 | | |
| | 45 | <i>Other, welded, of circular cross-section, of other alloy steel</i> |
| 7306.6 | Other, welded, of non-circular cross-section | |
| 7306.61.00 | <i>Of square or rectangular cross-section, of iron or non-alloy steel, not exceeding 279.4 mm perimeter:</i> | |
| | 21 | Wall thickness not exceeding 2 mm |

Model Control Code

Details of the model control code (MCC) structure for the goods are 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.

| | Category | Sub-Category | Identifier | Sales Data | Cost Data |
|----|--|--|------------|------------|----------------|
| 1 | Prime | Prime | P | Mandatory | Not applicable |
| | | Non-Prime | N | | |
| 2 | Steel Base/Type * Batch Hot Dipped Galvanised abbreviated as 'Batch HDG'; Electro Galvanised abbreviated as 'EG'; Continuously Galvanised abbreviated as 'CG'; Mild Steel Galvabond as 'MSGB'. | Hot Roll | H | Mandatory | Mandatory |
| | | Cold roll (Semi Bright) | C | | |
| | | Galvanised (Batch HDG, EG, CG or MSGB) | G | | |
| | | Other (e.g. alloy steel) | A | | |
| 3 | Steel Grade | C200 | 1 | Mandatory | Mandatory |
| | | C250 | 2 | | |
| | | C350 | 3 | | |
| | | C450 | 4 | | |
| | | Other | 5 | | |
| 4 | Surface Protection | Oiled | O | Mandatory | Mandatory |
| | | Clear or painted | P | | |
| | | No oil or paint | N | | |
| 5 | Coating Mass | <20 g/m ² (including none) | 1 | Mandatory | Mandatory |
| | | ≥20 g/m ² to <100 g/m ² | 2 | | |
| | | ≥100 g/m ² to <275 g/m ² | 3 | | |
| | | ≥275 g/m ² | 4 | | |
| 6 | Shape | Circular | C | Mandatory | Mandatory |
| | | Rectangular or Square | R | | |
| 7 | Circular size * outside diameter ** Circular products with an outside diameter between >21 mm to ≤101.6 mm which are not air heater tubes are not the goods. | Not circular | N | Mandatory | Mandatory |
| | | ≤16 mm | 1 | | |
| | | >16 mm to ≤21 mm | 2 | | |
| | | >21 mm to ≤101.6 mm (Air Heater Tubes) | 3 | | |
| 8 | Rectangular/Square size * outside perimeter | Not rectangular/square | N | Mandatory | Mandatory |
| | | ≤40 mm | 1 | | |
| | | >40 mm to ≤80 mm | 2 | | |
| | | >80 mm to ≤260 mm | 3 | | |
| 9 | Thickness | <1.6 mm | A | Mandatory | Mandatory |
| | | ≥1.6 mm to <3.2 mm | B | | |
| | | ≥3.2 mm | C | | |
| 10 | Length | ≤4 m | 1 | Mandatory | Optional |
| | | >4m to ≤8 m | 2 | | |
| | | >8 m to ≤12.0 m | 3 | | |
| | | >12.0 m | 4 | | |
| 11 | End configuration | Plain end | P | Optional | Optional |
| | | Threaded/flanged/swaged | T | | |
| | | Other (e.g. square faced) | O | | |

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In constructing a MCC, use a "-" between each category. For example: **P-H-2-O-1-C-1-N-A-3-P**

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:
Name: XXXXXXXX
Position in the company: XXXXXXXX
Telephone: XXXXXXXX
E-mail address: XXXXXXXX
2. If you have appointed a representative, provide the their contact details:
Name: XXXXXXXXXXXX
Address: XXXXXXXXXXXX
Telephone: XXXXXXXXXXXX
E-mail address: XXXXXXXXXXXX

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.

No.26 Number 2 Street DD Port, Dalian Development Zone, Liaoning, China

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

No.26 Number 2 Street DD Port, Dalian Development Zone, Liaoning, China

A-2 Company information

1. What is the legal name of your business?
Dalian Steelforce Hi-Tech Co., Ltd ("Dalian Steelforce").
2. Does your company trade under a different name and/or brand? If yes, provide details.
No
3. Was your company ever known by a different legal and/or trading name? If yes, provide details
No
4. Provide a list of your current board of directors and any changes in the last two years.

Current Board of Directors

Board of directors changed during the POI to:

[XXXXXXXXXXXXX]

The previous Board of Directors

[XXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXX]

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

Refer Confidential Attachment A-1.1.1 (Corp Structure)

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 shareholders²

If no, please provide:

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

No. Refer Confidential Attachment A-1.2 (Shareholding Structure)

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.

Dalian Steelforce manufactures Hollow Structural Sections (HSS) and Precision Pipe And Tube (PPT) for export to Australia.

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.

Dalian Steelforce does [XXXXXXXXXXXX]

9. Provide your company's internal organisation chart.

Refer to "Confidential Attachment B - Dalian Steelforce Organization Chart"

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

General Manager – [XXXXXXXXXXXX]

Finance – [XXXXXXXXXXXX]

Quality [XXXXXXXXXXXX]

Supply chain – [XXXXXXXXXXXX]

Production – [XXXXXXXXXXXX]

Other support functions – [XXXXXXXXXXXX]

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

Refer "Non Confidential Attachment C – Dalian Brochure"

² 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-3 General accounting information

1. What is your financial accounting period?

Dalian Steelforce operates with a calendar year accounting period, from 1 January to 31 December

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

Yes. [XXXXXXXXXXXX]

3. What currency are your accounts kept in?

The reporting currency is [XXXXXXXXXXXX]

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

[XXXXXXXXXXXX]

5. What is the name of your sales system?

[XXXXXXXXXXXX]

6. What is the name of your production system?

[XXXXXXXXXXXX]

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.

Not applicable.

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

No. The accounting practices are based on general accepted accounting principles and are in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China.

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

No. There have been no significant changes to the accounting policies over 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.

Refer

"Confidential Attachment D - Dalian Steelforce Audit Report Dec 2018"

"Confidential Attachment E - Dalian Steelforce Audit Report 2017"

"Confidential Attachment F – Dalian Steelforce Audit Report 2019"

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.

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.

No

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.

The company's financial period is the same as the investigation period.

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

Refer "Confidential Attachment 4 - Trial Balance for the 12 months 1 Jan 2019 to 31 Dec 2019."

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

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

Refer "Confidential Attachment G - Chart of Accounts 201909"

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

Pricing methodology and selling process is as follows:

[XXXXXXXXXXXX]

2. In what currency do you invoice your customers for goods exported to Australia? If it is not in your local currency:

[XXXXXXXXXXXX]

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

Yes, [XXXXXXXXXXXX]

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

Yes, [XXXXXXXXXXXX]

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

[XXXXXXXXXXXX]

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.

Yes. [XXXXXXXXXXXX]

The offer price determination to [XXXXXXXXXXXX] was made based upon:

[XXXXXXXXXXXX]

Dalian Steelforce negotiated [XXXXXXXXXXXX] priced with respect to

the above-mentioned considerations.

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

Refer “Confidential Attachments H1 to H12” monthly price lists

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.

No

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

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.

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

[XXXXXXXXXXXX]

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

The material terms of sale do not change after this date.

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.

Refer “Confidential Attachment 5 – Income Turnover and Sales Jan 19 -Dec 19”
Worksheet “B- 2 Australian sales”

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

Refer “Confidential Attachment 5A Table listing source data B-2 D-2 F-2 G-7.4 B-6”
worksheet “B-2.2 Australian sales”

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)

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

Refer

“Confidential Attachment IA - Sample Export Document A”
“Confidential Attachment IB - Sample Export Document B”

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.

Refer “Confidential Attachment 6 - Reconcile B3 docs to B2 sales listing”

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.

Refer “Confidential Attachment 5 – Income Turnover and Sales Jan19-Dec 19”
Worksheet “B-4 Upwards sales”

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.
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 expenses” 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.

[Confidential explanation]

Refer “Confidential Attachment 2A – CTMS Jan 19-Dec 19” Worksheet “B-5 Upwards Selling Expenses”

B-6 Historical sales listing

1. Complete the worksheet named “B-6 Historical sales”
 - This worksheet lists the totals of all sales for each product code exported to Australia of the goods in each calendar year for 2016, 2017 and 2018. This includes exports to Australia sold through a domestic customer.
 - You must provide this list in electronic format using the template provided.

Refer Confidential Attachment X B-6 -1 Historical Sales Listing

2. Provide a table listing the source of the data for each column in the “B-6 Historical sales” listing.

Refer Confidential Attachment 5A Table listing source data B-2 D-2 F-2 G-7.4 B-6”

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 exported to Australia by Dalian Steelforce are described as follows:

- **RHS/SHS (square and rectangular hollow sections)**
- **CHS (circular hollow section/round pipe)**

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.

Following is a list of MCC of the goods exported to Australia

| Australian MCC |
|-------------------------|
| P-C-N-2-G-3-C-1-N-A-2-P |
| P-C-N-2-G-3-C-2-N-A-2-P |
| P-C-N-2-G-3-R-N-2-A-2-P |
| P-C-N-2-G-3-R-N-3-A-1-P |
| P-C-N-2-G-3-R-N-3-A-2-P |
| P-C-N-2-P-2-R-N-2-A-1-P |
| P-C-N-2-P-2-R-N-2-A-2-P |
| P-C-N-2-P-2-R-N-3-A-1-P |
| P-C-N-2-P-2-R-N-3-A-2-P |
| P-H-N-2-P-2-C-2-N-B-2-P |

| MCCS proposed by Steelforce submission | | | |
|--|---|---------------------------------------|---|
| 1 | Prime | Prime | P |
| | | Non-Prime / Downgrade | N |
| 2 | Coil production method | Hot-rolled | H |
| | | Cold Rolled | C |
| 2A | Chemistry | Alloyed | A |
| | | Non-alloyed | N |
| 3 | Steel Grade | C200 | 1 |
| | | C250 | 2 |
| | | C350 | 3 |
| | | C450 | 4 |
| | | Other | 5 |
| 4 | Surface Protection Finish | Oiled | O |
| | | Clear or Painted (includes Varnished) | P |
| | | Galvanised | G |
| | | Aluminised | A |
| | | None | N |
| 5 | Coating Mass | <20 g/m2 (including none) | 1 |
| | | ≥20g/m2 to <100 g/m2 | 2 |
| | | ≥100 g/m2 to <275 g/m2 | 3 |
| | | ≥275 g/m2 | 4 |
| 6 | Shape | Oval | O |
| | | Circular | C |
| | | Rectangular or Square | R |
| 7 | Circular size * outside diameter ** Circular products with an outside diameter between >21 mm to <=101.6 mm which are not air heater tubes are not the goods. | Not circular | N |
| | | ≤16mm | 1 |
| | | >16mm to ≤21mm | 2 |
| | | >21mm to ≤101.6mm (air heater) | 3 |
| | | >101.6 mm | 4 |
| 8 | Rectangular/Square/Oval/Other size * outside perimeter | Not Rectangular/Square | N |
| | | ≤40mm | 1 |
| | | >40mm to ≤80mm | 2 |
| | | >80mm to ≤260mm | 3 |
| | | >260 mm | 4 |
| 9 | Thickness | <1.6 mm | A |
| | | ≥1.6mm to <3.2mm | B |
| | | ≥3.2mm | C |
| 10 | Length | ≤4 m | 1 |
| | | >4m to ≤8m | 2 |
| | | >8m to ≤12m | 3 |
| | | >12.0 m | 4 |
| 11 | End configuration | Plain end | P |
| | | Threaded/flanged/swaged | T |
| | | Other (eg. square faced) | O |

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.

Dalian Steelforce is an export-oriented producer that does not manufacture PPT for sale in the Chinese market.

[Confidential explanation]

Goods sold on the domestic market consist of NonPrime or Downgrade and during the investigation period accounted for

[Confidential explanation]

Scrap (which is not considered like goods) consists of slitter edge trim, weld scarfing,

strip offcuts, product offcuts and severely defective product.

[Confidential explanation]

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.

Following is a list of MCC of the goods sold on the Domestic Market

| Domestic MCC |
|-------------------------|
| N-C-N-2-G-3-C-1-N-A-2-P |
| N-C-N-2-G-3-C-2-N-A-2-P |
| N-C-N-2-G-3-O-N-N-A-2-P |
| N-C-N-2-G-3-R-N-2-A-2-P |
| N-C-N-2-G-3-R-N-3-A-1-P |
| N-C-N-2-G-3-R-N-3-A-2-P |
| N-C-N-2-G-3-R-N-4-A-2-P |
| N-C-N-2-N-1-R-N-2-A-2-P |
| N-C-N-2-N-1-R-N-3-A-2-P |
| N-C-N-2-P-2-R-N-3-A-1-P |
| N-C-N-2-P-2-R-N-3-A-2-P |
| N-H-N-2-N-1-C-2-N-B-2-P |

| MCCS proposed by Steelforce submission | | | |
|--|--|---------------------------------------|---|
| 1 | Prime | Prime | P |
| | | Non-Prime / Downgrade | N |
| 2 | Coil production method | Hot-rolled | H |
| | | Cold Rolled | C |
| 2A | Chemistry | Alloyed | A |
| | | Non-alloyed | N |
| 3 | Steel Grade | C200 | 1 |
| | | C250 | 2 |
| | | C350 | 3 |
| | | C450 | 4 |
| | | Other | 5 |
| 4 | Surface Protection Finish | Oiled | O |
| | | Clear or Painted (includes Varnished) | P |
| | | Galvanised | G |
| | | Aluminised | A |
| | | None | N |
| 5 | Coating Mass | <20 g/m2 (including none) | 1 |
| | | ≥20g/m2 to <100 g/m2 | 2 |
| | | ≥100 g/m2 to <275 g/m2 | 3 |
| | | ≥275 g/m2 | 4 |
| 6 | Shape | Oval | O |
| | | Circular | C |
| | | Rectangular or Square | R |
| 7 | Circular size * outside diameter ** Circular products with an outside diameter between >21 mm to ≤101.6 mm which are not air heater tubes are not the goods. | Not circular | N |
| | | ≤16mm | 1 |
| | | >16mm to ≤21mm | 2 |
| | | >21mm to ≤101.6mm (air heater) | 3 |
| | | >101.6 mm | 4 |
| 8 | Rectangular/Square/Oval/Other size * outside perimeter | Not Rectangular/Square | N |
| | | ≤40mm | 1 |
| | | >40mm to ≤80mm | 2 |
| | | >80mm to ≤260mm | 3 |
| | | >260 mm | 4 |
| 9 | Thickness | <1.6 mm | A |
| | | ≥1.6mm to <3.2mm | B |
| | | ≥3.2mm | C |
| 10 | Length | ≤4 m | 1 |
| | | >4m to ≤8m | 2 |
| | | >8m to ≤12m | 3 |
| | | >12.0 m | 4 |
| 11 | End configuration | Plain end | P |
| | | Threaded/flanged/swaged | T |
| | | Other (eg. square faced) | O |

C-3 Internal product codes

1. Does your company use product codes or stock keeping unit (SKU) codes?

If yes:

- 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.
- Provide details on how you mapped the product or SKU codes to the MCC for the purpose of completing this questionnaire.
- Provide a table of showing the product or SKU codes for each MCC.

If no:

- Provide details on the method used to identify the MCC in the sales and cost spreadsheets.

Dalian Steelforce uses a combination of Product Code and product attributes to identify products.

Product Code

For RHS / SHS

SIZE: Dimension A (mm) x Dimension B (mm) x Thickness (mm) / Length (m)

For CHS

SIZE: Diameter or Nominal Bore (NB) (mm) x Thickness (mm) / Length (m)

Other Attributes

STANDARD: Applicable standard (not mapped)

GRADE: Product grade (Mapped to “Steel Grades – range” MCC field)

FINISH: Product surface finish (Mapped to “Surface Finish” MCC field)

TYPE: RHS or CHS (Mapped to “Shape” MCC)

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

The only Domestic Sales are of non-prime downgrade product.

[Confidential clarification]

Downgrade product is combined into parcels which are offered to multiple scrap merchants/fabricators.

[Confidential clarification]

The CTMS for downgrade is [Confidential clarification]

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.

[XXXXXXXXXXXX] Refer to D.1 above for details on setting selling prices.

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

Not applicable.

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.

Not applicable.

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.

Not applicable

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.

Not applicable

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?

[XXXXXXXXXXXX]

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

No further changes can be made to 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 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.

Refer "Confidential Attachment 5 – Income Turnover and Sales Jan19 -Dec 19"
Worksheet "D-2 Domestic sales"

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

Refer "Confidential Attachment 5A Table listing source data B-2 D-2 F-2 G-7.4 B-6"

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

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

Refer

"Confidential Attachment J1 – [XXXXXXXXXXXX]

"Confidential Attachment J2 – [XXXXXXXXXXXX]

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.

Refer “**Confidential Attachment 6A - D2 sales listing details**”

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 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.

Not required as section B-4 completed.

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?

[XXXXXXXXXXXX]

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:

[XXXXXXXXXXXX]

- (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

[XXXXXXXXXXXX]

Refer

“Confidential Attachment 7 - AR turnover and avg credit term”

- (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?

Not applicable. [Confidential clarification]

E-2 Packaging

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

Product is strapped into bundles using steel strapping. [XXXXXXXXXXXX]

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

[XXXXXXXXXXXXX]

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

[XXXXXXXXXXXXX]

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?

[XXXXXXXXXXXXX]

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

[XXXXXXXXXXXXX]

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?

Calculated using [XXXXXXXXXXXXX]

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?

[XXXXXXXXXXXXX]

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?

[XXXXXXXXXXXXX]

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?

[XXXXXXXXXXXXX]

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.

Not applicable [XXXXXXXXXXXXX]

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?

During the importation period, there was a VAT rebate on exports of PPT. This rebate was effective as of June 2009. This rebate changed during the investigation period as outlined in “Confidential Attachment 8 - VAT Change summary” and “Confidential Attachment 9 - VAT Rebate List”

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

[XXXXXXXXXXXX]

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

[XXXXXXXXXXXX]

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.

[XXXXXXXXXXXX]

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.

[XXXXXXXXXXXX]

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.

[XXXXXXXXXXXX]

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?

NA

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

NA

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.

Refer

**"Confidential Attachment 5 Income Turnover and Sales Jan 19 -Dec 19
Worksheet "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).

Refer "Confidential Attachment 5 Table listing source data B-2 D-2 F-2 G-7.4 B-6

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.

[XXXXXXXXXXXX]

SECTION G

COST TO MAKE AND SELL

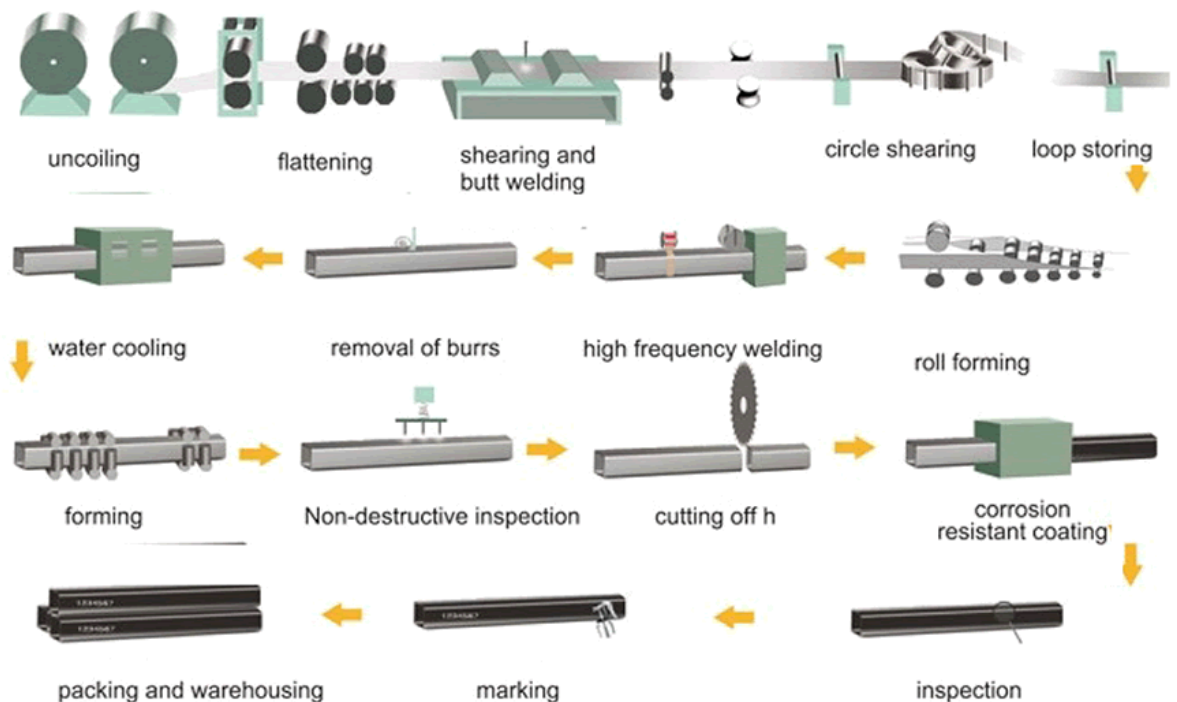
G-1. Production process

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.

Dalian Steelforce purchases a combination Cold Rolled Coil ("CRC") and Cold Rolled Gal Coil ("CRGC") from non related external suppliers. The CRC and CRGC is then slit by Dalian Steelforce into narrower coils to the widths required to produce each individual size and shape.

Dalian Steelforce [XXXXXXXXXXXX] then converts the slit coils to precision tube by forming and welding the slit coil into the required shape.

All of the precision pipe and tube produced from the CRGC has a clearcote paint applied to either online or handsprayed. Precision pipe and tube that is produced from CRC is painted.



The two finished prime products are either painted or pre-galvanised.

The by-products from the production process include:

- downgrade PPT (e.g. Includes bent product, product with cross welds and general non-conforming product)
- scrap (e.g. including waste product from coil slitting and manufacturing)

process)

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.

No

G-2. Cost accounting practices

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

Dalian Steelforce uses a [XXXXXXXXXXXX]

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.

Dalian Steelforce uses a [XXXXXXXXXXXX]

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.

There are two cost centres in Dalian Steelforce's cost accounting system. These are:

[XXXXXXXXXXXX]

Actual manufacturing costs are allocated on a tonnes basis.

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

There are [XXXXXXXXXXXX] kinds of product recognized by Dalian Steelforce's cost accounting system:

[XXXXXXXXXXXX]

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

No

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

- (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.

No

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)?

Method of valuation is [XXXXXXXXXXXX]

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

The value of downgrade for accounting purposes is [XXXXXXXXXXXX] This is reflected in the CTMS calculations.

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

The value of scrap for accounting purposes is at [XXXXXXXXXXXX]

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

[XXXXXXXXXXXX]

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

For completeness, the cost to make and sell for downgrade products has been calculated. As previously noted all domestic sales of downgrade product were sold at a loss.

Refer "Confidential Attachment 2A - CTMS Jan19 – Dec 19" worksheet "G-3"

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.

The full breakup of the operating expenses which includes SG&A cost per month is provided in work sheet "Management Acts to CTMS". Refer to G-4.1 for a reconciliation of "Total Selling, General and Administrative Expenses" to "Operating Expenses" [XXXXXXXXXXXX]

Refer "Confidential Attachment 2A - CTMS Jan19 – Dec 19"

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.

SG&A costs are allocated on [XXXXXXXXXXXX] Breakup provided in worksheet "

Refer "Confidential Attachment 2A - CTMS Jan19 – Dec 19"

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

Refer "Confidential Attachment 2A - CTMS Jan19 – Dec 19" worksheet G-5 Australian CTM

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

The allocation methodology used to complete the domestic CTM in G3 and the Australian CTM in G-5 is [XXXXXXXXXXXX]. The reason for this is [XXXXXXXXXXXX] goods that are exported to Australia.

The reason that [XXXXXXXXXXXX]

A) Raw materials – the key raw materials for producing PPT are CRC or CRGC and paint and these costs are allocated on [XXXXXXXXXXXX]
The Coil cost allocation is calculated based [XXXXXXXXXXXX] to the coil type.

B) Labour – the key labour costs includes wages and welfare which are allocated on a production per tonne basis for both domestically sold non prime (downgrade) and prime goods exported to Australia.

C) Manufacturing Overheads – the key manufacturing overheads [XXXXXXXXXXXX] and other which are allocated on a production per tonne basis for both domestically sold non prime (downgrade) and prime goods exported to Australia.

The export production costs are based [XXXXXXXXXXXX]

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.

The model allocation methodology is outlined in the detailed cost to make and sell – monthly tables –

refer Confidential Attachment % - Income, Turnover and Sales Jan19-Dec19

G-7 Major raw material costs

1. What are the major raw materials used in the manufacture of the goods?

[XXXXXXXXXXXX]

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 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.

NA

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.

[XXXXXXXXXXXXX]

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.

Only the Coil accounts for 10% or more of the Total Cost to Make

Refer Confidential Attachment 3B - Coil Purchases Jan19-Dec19

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

Confidential Attachment 5A Table listing source data B-2 D-2 F-2 G-7.4 B-6"

6. For each raw material:
 - (a) Select the two largest invoices by value and provide the commercial invoice and proof of payment.

Refer

"Confidential Attachment P1 Payment+Invoice [XXXXXXXXXXXXX]

"Confidential Attachment P2 Payment+Invoice [XXXXXXXXXXXXX]

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

Confidential Attachments

o Confidential Attachment P1a Support Proof of Payment

o Confidential Attachment P2a Support Proof of Payment

provide evidence in relation of invoices and proof of payment in relation to the two largest raw material invoices.

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.

No

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.

Refer "Confidential Attachment 17 - Trial balances & Coil purchases reconcile"

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.
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.

G-9 Capacity Utilisation

4. Please complete the worksheet named "G-9 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.

Refer "Confidential Attachment 11 - Production (Capacity Utilisation)"

SECTION H

PARTICULAR MARKET SITUATION

The applicant has claimed that the situation in the market of the country of export is such that sales in that market are not suitable for use in determining normal value. The information provided in sections H, I J and K will assist the Commission to better understand the Chinese and Australian markets and to assess whether sales in the Chinese market are suitable for determining a normal value.

H-1 Reporting requirements

1. Describe generally all interaction that your business has with the Government of China (GOC) at all levels, including (but not limited to):
 - (a) reporting requirements;

Detailed descriptions of government interactions and reporting requirements are provided in responses H-2 to H-15 below.

- (b) payment of taxes;

Dalian Steelforce pay taxes in accordance with Chinese laws and regulations

- (c) senior management representation within your business;

The GOC is not involved in the selection or appointment of management within Dalian Steelforce

- (d) supervision by the State-owned Assets Supervision and Administration Commission (SASAC) or a body under the control of SASAC.

Not Applicable. Dalian Steelforce is a privately-owned business

- (e) approval/negotiation of business decisions (e.g. investment decisions, management decisions, pricing decisions, production decisions, sales decisions);

The GOC is not involved in the approval/negotiation of business decisions within Dalian Steelforce

- (f) licensing;

According to Chinese regulations an enterprise is required to obtain a business license before operation.

- (g) restrictions on land use;

Dalian Steelforce has no restrictions on land use

- (h) provision of loans; or

The provision of loans is made between Dalian Steelforce and the relevant bank. There is no involvement from a government body.

- (i) provision of grants, awards or other funds.

There was a receipt of

[XXXXXXXXXXXX]

[XXXXXXXXXXXX] (refer to Confidential Appendix L4)

H-2 Business structure, ownership and management

1. Indicate whether your company is a state-owned or state-invested enterprise (SIE)
 - A state owned enterprise refers to any company or enterprise that is wholly or partially owned by the GOC (either through direct ownership or through association).

Dalian Steelforce is 100% owned by an Australian entity. It is not state-owned or a state-invested enterprise.

2. List the Board of Directors and Board of Shareholders of your business and all other entities/businesses your business is related to.

[XXXXXXXXXXXX]

3. Indicate the names of common directors and officers between your business and related businesses, where applicable.

No

4. Are any members of your business' (and/or all other entities your business is related to) Board of Directors or Board of Shareholders representatives, employees, or otherwise affiliated with the Government of China (at any level, from any agency, party, or otherwise associated entity, including SASAC)? If yes, identify the individuals, their role on that Board and their affiliation with the Government of China.

No

5. Does your business' (and/or all other entities your business is related to) Board of Directors or Board of Shareholders have a representative from the Chinese Communist Party (CCP)? If yes, identify their name and title and indicate their position at the board level.

No

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

No

7. Indicate who owns what percentage of all shares in your business and identify whether they are:
 - an affiliate, representative, agency or otherwise representative of the Government of China;
 - employees of your business;
 - foreign investors; or
 - other (please specify).

[XXXXXXXXXXXX]

8. Provide the details of any significant changes in the ownership structure of your business during the period.

During the investigation period, the Australia the parent company “Steelforce Group” of Dalian Steelforce was sold from a range of shareholders including investment funds and private shareholders to Liberty Holdings Australia. The current ownership structure is outlined in Section A-2.

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

None

10. Explain whether there are requirements in law and in practice to have government representation at any level of your business. If there is such a requirement, explain the role of government representatives appointed to any level of your business.

None

11. If your business is a publicly-traded company, what are the rules regarding the issuance of shares by your business? Identify any stock exchanges on which your business is listed.

Not applicable

12. Provide the monthly trading volume and average monthly trading price of your listed security over the period.

Not applicable

13. Who has the ability to reward, fire or discipline your business’ senior managers?

[XXXXXXXXXXXX]

14. Do any of your company’s senior managers hold positions in any Government of China departments or organisations, associations or Chambers of Commerce? If yes, describe the nature of these positions.

No

15. Provide the names and positions of your company’s pricing committee.

[XXXXXXXXXXXX]

H-3 Licensing

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

Refer “Confidential Attachment K - Business Licence”

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

Dalian Jinzhou District Market Supervision Administration.

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

“Confidential Attachment M - Flow chart of register licence(English translation)”

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

“Confidential Attachment M - Flow chart of register licence(English translation)”

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

We are restricted from operating outside the scope of the business license. Any projects outside the scope of the business license must have approval.

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

If we act outside the scope, then the Dalian Jinzhou District Market Supervision Administration will revoke the business license.

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

Has right to operate the business within scope.

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

If we act outside the scope, then the Dalian Jinzhou District Market Supervision Administration will revoke the business license.

H-4 Decision-making, planning and reporting

1. Provide a description of your business' decision-making structure in general and in respect of the goods. This should identify the persons or bodies primarily responsible for deciding:
 - a. what goods are produced;
 - b. how the goods are produced;
 - c. how levels of inputs such as raw materials, labour and energy are set and secured;
 - d. how the use of your outputs, such as product mix, is determined; and
 - e. how your business' profit is distributed.

General decision making is made by Australian based management in conjunction with Chinese based management. The level of demand in the [XXXXXXXXXXXX] market and profitability determines the production volumes of PPT products.

Prices are set at arm's length rates based on current market prices in the destination markets.

2. Provide a description of any Government of China input into the decision-making process respecting your manufacture, marketing and sale of the goods.

Not applicable

3. Provide a list of all government departments/offices that are involved, either directly or indirectly, in your manufacture, sale or purchase of the goods.

Not applicable

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

**Audited Annual Accounts submitted to Dalian Jinzhou District Tax Office.
Quarterly Tax Return submitted to Dalian Jinzhou District Tax Office.
Monthly, Quarterly, Half Yearly and Annual Statistic Reports submitted to Chinese National Statistics Bureau**

5. Provide a copy of the last two Provincial/City Five Year Plans (including the appendices) for the province/city in which your business is located, whichever is applicable. The copies should be fully translated including the appendices, along with the original Chinese version.

Refer "Confidential Attachment L - 13th Five Year Plan" the 13th version of the 5-year plan for the Dalian Development Area which is the area in which our factory is located.

[XXXXXXXXXXXXX]

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

No. Not applicable

7. Provide copies of the minutes of your Board of Directors and Board of Shareholders meetings over the period.

Not applicable

8. Provide copies of the notes to company meetings where pricing decisions on the goods under consideration have been made over the period.

Not applicable

H-5 Financial and investment activities

1. Is your business debt funded? If yes, provide a list of all major lenders.

Loans secured by [XXXXXXXXXXXXXXXXXXXX]

2. What is the rate of interest paid by your business on all debt instruments over the last 5 years?

From Nov 2014 to Oct 2015 [XX]%

From Oct 2015 to Jan 2016 [XX]%

From Jan 2016 to Aug 2017 [XX]%

From Aug 2017 to Dec 2019 [XX]%

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

Dalian did not receive any interest rebates from its lender. [XXXXXXXXXXXX]

No other government benefits or grants were received during the period of interest.

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

No

5. Does your business have policies on how cash reserves are to be invested? If yes, provide details.

No

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

No

H-6 Government policy on the industry

1. Are there any Government of China opinions, directives, decrees, promulgations, measures, etc. concerning the industry of the goods that were put in place or operating during the period? If yes, please provide:
- copy of the documentation and a translation in English;
 - documentation concerning the Government of China or any association of the Government of China's notification of the measures concerning the goods to your company during the period.

We are not aware of any new Government of China opinions, directives, decrees, promulgations, measures, etc. concerning the Precision Pipe and Tube industry/sector.

2. Provide information concerning the name of any Government of China departments, bureaus or agencies responsible for the administration of all Government of China measures concerning the industry of the goods in the regions, provinces or special economic zones where your company is located, including contact information regarding the following areas:
- industrial policy and guidance on the industry;
 - market entry criteria for the industry;
 - environmental enforcement for the industry;
 - management of land utilisation;
 - the China Banking Regulatory Commission for the industry;
 - investigation and inspection of expansion facilities;

- the section in the National Development and Reform Commission that is responsible for the industry; and
- import licensing for raw materials relating to the goods under consideration.

[XXXXXXXXXXXX]

3. Describe any role your company plays in the development of government's industrial plans and/or policies at all levels of government. For example, does your company provide information for, or request inclusion in, any plans, policies, or measures?

[XXXXXXXXXXXX]

4. Does your company provide information relating to assessments of the implementation of the plan, policy or measure?

[XXXXXXXXXXXX]

5. Has the Government of China designated your company and/or industry as "pillar," "encouraged," "honourable," or any other designation? If yes, please answer the following questions.
- a. Explain the purpose of these designations, the criteria for receiving any such designation, and the benefits or obligations that arise from each such designation.
 - b. Is there any connection between these designations and five-year plans or other industrial and/or economic policies or administrative measures?
 - c. Describe any instances in which your company cited Government of China plans, policies, or measures as support for receiving the financing that you report.

[XXXXXXXXXXXX]

H-7 Taxation

1. Were there any export taxes on the exports of the goods during the period?

No

2. What was the value-added tax rebate applicable to exports of the goods during the period?

Refer to "Confidential Attachment 9 - VAT Rebate list" for details for the applicable tax rebate

3. Have there been any changes to the value-added tax rebate applicable to exports of the goods in the last 5 years? If yes, provide:
- a. a detailed chronological history of the value-added tax rebate rates;
 - b. products affected;
 - c. the effective dates of the rate changes;
 - d. fully translated copies of any Government of China notices regarding these changes, including the relevant appendices.

The VAT amount and rebate amount varied throughout the period as outlined in "Confidential Attachment 8 - VAT Change summary"

4. Are you aware of any tax changes being planned that would impact the industry?

There is a change to the export rebate that applies from March 2020 as per Confidential attachment 8.

H-8 Sales Terms

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

[XXXXXXXXXXXX]

Prices are set at arm's length rates based on current market prices in the destination markets.

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

Refer above. There is no involvement by the Government of China

3. Does your business coordinate the selling prices or supply of the goods with other domestic producers or any Government of China departments? If yes, provide details.

No.

4. Explain whether your business provides information or data to the Government of China, other government officials or commercial/industry organisations, including those outside of China, which report on the industry.

No – [XXXXXXXXXXXX]

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

No.

H-9 Industry associations

1. Is your business a member of any business or industry associations? If yes, explain your business' relationship with the association and the involvement of the Government of China with the associations.

No.

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

Not applicable

H-10 Statistics submission/recording

1. Indicate if your business makes submissions to the Chinese Bureau of Statistics and/or any other government organisation. If yes, explain the purpose of these submissions and the type of information submitted.

[XXXXXXXXXXXX]

2. Provide a recent example of a submission that has been made to the Bureau of Statistics and/or any other government organisation. For example, monthly data relating to sales, production and costs.

[XXXXXXXXXXXX]

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

[XXXXXXXXXXXX]

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

[XXXXXXXXXXXX]

H-11 Production/output

1. Is any part of your production subject to any national/regional industrial policy or guidance? If yes, provide details including a background of the policy/guidance and explain any restriction imposed by the policy/guidance. To what extent are any of the policies/guidelines applicable to your business?

No. We are not aware of any national/regional industrial policy or guidance.

2. Where applicable, how did your business respond to the policies/guidelines?

Not applicable

3. Provide details regarding any other restrictions (e.g., geographic/regional, downstream, use, etc.) to the sale of the goods and/or like goods that may be imposed by the Government of China.

Not applicable

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

Not applicable

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

Not applicable

6. Does your business require an export licence? If yes, provide details.

Refer “Confidential Attachment O – Export License”

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

No.

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

Not applicable.

9. Have there been any changes to your production capacity over the last 5 years? If yes, provide details.

No

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

No

H-12 Sales price

1. Explain whether your business has been subjected to any direct or indirect price guidance or controls by the Government of China during the period.

No

2. Explain whether your business has been subjected to any direct or indirect price guidance or controls by the Government of China during the period, with respect to raw material inputs.

No

3. Explain whether your business has encountered any price guidance or controls established by regional, provincial or special economic zone officials and/or organisations.

No

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

General pricing decisions, including sales terms, etc. are made by Australian based management in conjunction with Chinese based management.

Prices are set at arm's length rates based on current market prices in the destination country.

5. Which organisation/business entity do you consider as the price leader of the goods?

Not known

6. Does your business have a pricing committee in respect of the goods? If yes, provide the names and positions of all members of the committee.

Yes. Refer to the response in H2-15 of this Exporter Questionnaire.

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

Not applicable

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

Refer to the response in H2-15 of this Exporter Questionnaire.

9. If you have production facilities of the goods in more than one region and/or province, are the laws and regulations in each region the same with respect to pricing of the goods? If no, provide details on the differences.

Not applicable

H-13 Adding capacity and/or joint ventures

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

Refer “Confidential Attachment 16 - Flow chart of approval for new industrial project”

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

No

H-14 Raw materials

1. Are any of the suppliers related or affiliated with you? If yes, provide details.

No

2. Do you purchase from State Invested Enterprises? If yes, provide a details.

[XXXXXXXXXXXX]

3. If your supplier is based outside China, what import duty rate is applied on the raw materials?

No.

4. Is there a price difference in purchase price for raw materials between your suppliers? If yes, provide a detailed explanation.

[XXXXXXXXXXXX]

5. Describe in detail your business' purchase procedures of the raw materials, the considerations in selecting a supplier and how the price of the raw materials is determined between you and your suppliers. If it is by tenders, provide details of the criterions/conditions.

[XXXXXXXXXXXX]

6. If any of your raw materials for the goods and/or like goods are imported by your business, or related businesses:
 - a. Provide details including a description of the raw material imported, the supplier and country of origin.
 - b. Explain the process required to import the raw materials (e.g. obtaining an import licence, import declarations).
 - c. Provide details of any conditions to importing the raw materials (e.g. customs and/or quarantine).
 - d. Are you eligible for a duty drawback? If yes, provide details.

Not applicable

7. Do you, or a business associated with you, sell any of the raw materials used to manufacture the goods and/or like goods, or sell the semi-processed goods?
- a. Please provide a description of the raw material or semi-processed goods which are sold, including whether they are domestic or export transactions, to related or unrelated parties, and how the selling price is determined.

No.

- b. If there is a difference in selling prices between related and unrelated parties, please provide reasons as to why.

No

SECTION I CHINESE MARKET

I-1 Prevailing conditions of competition in the Chinese market

1. Describe the Chinese market for the goods and the prevailing conditions of competition within the market, including:
 - (a) Provide an overall description of the market in China which explains its main characteristics and trends over the past five years;
 - (b) Provide the sources of demand for the goods in China, including the categories of customers, users or consumers of the product;
 - (c) Provide an estimated proportion (%) of sales revenue from each of those sources of demand listed in (b);
 - (d) Describe the factors that influence consumption/demand variability in China, such as seasonal fluctuations, factors contributing to overall market growth or decline, government regulation, and developments in technology affecting either demand or production;
 - (e) Describe any market segmentations in China; such as geographic or product segmentations;
 - (f) Provide an estimated proportion of sales revenue from each of the market segments listed in (e);
 - (g) Describe the way in which Chinese and imported goods compete in the Chinese market;
 - (h) Describe the ways that the goods are marketed and distributed in the Chinese market; and
 - (i) Describe any other factors that are relevant to characteristics or influences on the Chinese market for the goods.

Provide documentary evidence to support the responses made to questions 1(a) to (i).

Dalian Steelforce doesn't compete in the Chinese market for Precision Pipe and Tube. The non -prime downgrade product is not sold into the precision pipe and tube market.

2. Provide a diagram which describes the Chinese market structure for the goods, ensuring that all categories of participants are included. In this diagram use linkages to illustrate the different levels of trade and distribution channels within the Chinese market.

Not applicable – refer response to 1.1 above

3. Describe the commercially significant market participants in the Chinese market for the goods at each level of trade over the investigation period. Include in your description:
 - names of the participants;
 - the level of trade for each market participant (e.g., manufacturer, reseller, original equipment manufacturer (EOM), retailer, corporate stationer, importer, etc.);
 - a description of the degree of integration (either vertical or horizontal) for each market participant; and
 - an estimation of the market share of each participant.

Not applicable – refer response to 1.1 above

4. Identify the names of commercially significant importers in the Chinese market for the goods over the investigation period and estimate their market share. Specify the country each importer imports from and their level of trade in the Chinese market, if known.

Not applicable – refer response to 1.1 above

5. Describe the regulatory framework of the Chinese market for the goods as it relates to competition policy, taxation, product standards and the range of the goods. Provide a copy of any regulation described, if available.

Not applicable – refer response to 1.1 above

6. Describe any entry restrictions for new participants into the Chinese market for the goods. Your response could include information on:
 - resource ownership;
 - patents and copyrights;
 - licenses;
 - barriers to entry;
 - import restrictions; and
 - government regulations(including the effect of those government regulations).

In responding to question 6 ensure that relevant regulations are referenced.

Not applicable – refer response to 1.1 above

I-2 Goods in the Chinese market

1. Generally describe the range of goods offered for sale in the Chinese market. The description should include all like goods, including those produced by your company. Your description could include information about:
 - quality differences;
 - price differences;
 - supply/availability differences;
 - technical support differences;
 - the prevalence of private labels/customer brands;
 - the prevalence of generic or plain labels;
 - the prevalence of premium labels; and
 - product segmentation.

Dalian Steelforce is not in a position to respond as it doesn't sell prime Precision Pipe and Tube products into the Chinese market.

2. Describe the end uses of the goods in the Chinese market from all sources.

Dalian Steelforce is not in a position to respond as it doesn't sell prime Precision Pipe and Tube products into the Chinese market.

3. Describe the key product attributes that influence purchasing decisions or purchaser preferences in the Chinese market. Rank these preferences or purchasing influencers in order of importance.

Dalian Steelforce is not in a position to respond as it doesn't sell prime Precision Pipe and Tube products into the Chinese market.

4. Identify if there are any commercially significant market substitutes in the Chinese market for the goods.

Dalian Steelforce is not in a position to respond as it doesn't sell prime Precision Pipe and Tube products into the Chinese market.

5. Identify if there are any commercially significant market complements in the Chinese market for the goods.

Dalian Steelforce is not in a position to respond as it doesn't sell prime Precision Pipe and Tube products into the Chinese market.

6. Have there been any changes in market or consumer preferences in the Chinese market for the goods in the last five years? If yes, provide details including any relevant research or commentary on the industry/sector that supports your response.

Dalian Steelforce is not in a position to respond as it doesn't sell prime Precision Pipe and Tube products into the Chinese market.

I-3 Relationship between price and cost

1. Describe the importance of the Chinese market to your company's operations. In your response describe:
 - (a) The proportion of your company's sales revenue derived from sales of the goods in China; and
 - (b) The proportion of your company's profit derived from sales of the goods in China.

In responding to question 1 please provide evidence supporting calculations.

Not important – volumes of downgrade [XXXXXXXXXXXX]

2. Is your organisation/business entity the price leader for the goods in the Chinese market? If no, please explain the reasons behind your response and specify the name(s) of the price leaders.

Not applicable

3. Describe the nature of your product pricing (e.g., market penetration, inventory clearance, product positioning, price taker, price maker, etc.) and your price strategies (e.g., competition-based pricing, cost-plus pricing, dynamic pricing, price skimming, value pricing, penetration pricing, bundle pricing, etc.) in China. If there are multiple strategies applied, please rank these by importance. If there are different strategies for different products, please specify these. Provide copies of internal documents which support the nature of your product pricing.

Not applicable

4. Explain the process for how the selling prices of the goods for the Chinese market by your business are determined. Provide copies of internal documents which support how pricing is determined.

Downgrade pricing is based on [XXXXXXXXXXXX]

5. How frequently are your Chinese selling prices reviewed? Describe the process of price review and the factors that initiate and contribute to a review. Provide the names and positions of all persons involved.

[XXXXXXXXXXXX]

6. Rank the following factors in terms of their influence on your pricing decisions in the Chinese market, with the most important factor ranked first and the least important factor ranked last:
9. Competitors' prices
 10. Purchase price of raw materials
 11. Cost to make and sell the goods
 12. Level of inventory
 13. Value of the order
 14. Volume of the order
 15. Value of forward orders
 16. Volume of forward orders
 17. Customer relationship management
 18. Supplier relationship management
 19. Desired profit
 20. Brand attributes
 21. Other [please define what this factor is in your response]

Not applicable

7. Describe the relationship between selling price and costs to make and sell in the Chinese market. Does your company maintain a desired profit margin for the goods?

Not applicable- [XXXXXXXXXXXX]

8. Do you offer price reductions (e.g., commissions, discounts, rebates, allowances or credit notes) in the Chinese market? If yes, provide a description and explain the terms and conditions that must be met by the customer to qualify. Explain how the cost to make and sell are considered in establishing these price reductions. Provide copies of internal documents which support your claims in response to this question.

Not applicable

9. Do you offer bundled pricing in the Chinese market? If yes, explain how the pricing for bundled sales is determined. Explain how the costs to make and sell are considered in establishing these bundled prices for the goods. Provide copies of internal documents which support your claims in response to this question.

Not applicable

10. Does the volume of sales to a customer or the size of an order influence your selling price in China? If yes, advise how volume is used to determine selling prices. Explain how the costs to make and sell are considered in establishing volume based prices for the goods. Provide copies of internal documents which support your claims in response to this question.

Not applicable

11. Does your organisation/business entity use sales contracts in the Chinese market? If yes:
- (a) What proportion of your sales revenue would come from contracted sales versus uncontracted sales?
 - (b) Do you offer exclusivity contracts? If yes, what proportion of your sales revenue would come from exclusivity contracts?
 - (c) How frequently are sales contracts renegotiated?
 - (d) How frequently are price reviews conducted between contracts?
 - (e) Do you provide opportunities for price reviews for customers within contracts? If yes, provide a description of the process and an explanation of the circumstances that might lead to a price review.

- (f) Do changes in your costs to make and sell enable you to review prices for customers within contracts?
- (g) Provide a list of the customers under contract during the investigation period and copies of the two largest contracts in terms of sales revenue. Provide a complete translation of the documents.

Not applicable

12. Provide copies of any price lists for the goods used in the Chinese market during the investigation period. If you do not use price lists, describe the transparency of your prices in the Chinese market.

Not applicable

13. How do you differentiate pricing for different products/models of the goods in the Chinese market? Describe how your products are grouped for price differentiation and the methodology used. Describe any cost to make or selling cost differences between differentiated products. Describe how these cost differences (if any) influence pricing decisions. Provide copies of internal documents which support your claims in response to this question.

Not applicable

14. Do you tier or segment your Chinese customers for the goods in terms of pricing? If yes, provide:
- (a) a general description of how this is done;
 - (b) list the factors that influence pricing differentiation in different tiers or segments; and
 - (c) explain how cost to make and selling costs are considered in making pricing decisions for different tiers or segments.

Provide copies of internal documents which support your claims in response to this question.

Not applicable

15. Do you sell the goods to related entities in China? If yes, describe how prices are set for related party transactions and specify what proportion of your sales in terms of sales revenue are to related party entities. If available, provide a copy of any internal document relevant to establishing pricing to related parties.

Not applicable

I-4 Marketing and sales support in the Chinese market

1. How does your company market the goods in the Chinese market? Include in your response the value proposition used (e.g., competitive price, superior quality, reliability, availability, etc.).

Not applicable

2. Does your company conduct brand segmentation in the Chinese market for the goods? If yes, describe the brand segmentation used and provide the proportion of sales revenue derived from each brand segment.

Not applicable

3. Provide examples of your Chinese advertising of the goods over the past five years. If you have not used advertising in China, provide examples of any other promotion campaigns for the goods you have conducted over the investigation period.

Not applicable

4. How many people are in your Chinese market sales team and where are they located? In general terms, how are they remunerated? If they are offered performance pay based on sales, describe the performance indicators used to establish the performance pay. Provide copies of internal documents which support your claims in response to this question.

Not applicable

5. Describe what parameters are provided to sales staff to assist in establishing pricing for the goods when negotiating sales with customers. Provide copies of internal documents which support your claims in response to this question.

[XXXXXXXXXXXX]

SECTION J

PRODUCTION AND PRODUCTION COSTS

J-1 Production of the goods

1. Describe how your company determines its volume of production for the goods, product mix of production and the factors that contribute to these decisions. How frequently are production volumes determined for the goods? How frequently is the product mix determined for the goods? Provide copies of internal documents which support your claims in response to this question.

[XXXXXXXXXXXX]

2. What lead times are typically needed to adjust volumes of production for the goods? Provide copies of internal documents which support your claims in response to this question.

Refer to (1) above.

3. Do you have warehousing facilities for the goods? If no, what do you do with excess inventory? If yes:
 - (a) What is the volume capacity of these facilities?
 - (b) What was the monthly amount of inventory maintained during the investigation period?
 - (c) What is the average period of time that inventory is retained (describe how this is calculated)?

Provide copies of internal documents which support your claims in response to this question.

[XXXXXXXXXXXX]

4. Have there been any changes to the type of capital or technology utilised by your company in the manufacturing of the goods in the last five years? If yes, provide details.

[XXXXXXXXXXXX]

5. For each plant capable of producing inputs that could be utilised to make the goods, provide the date that production facility came into operation and the production capacity of the plant over the past five years. The production capacity should be based on an actual production capacity, not a budgeted production capacity. Provide copies of internal documents which support your claims in response to this question.

[XXXXXXXXXXXX]

6. List any significant investments in the past five years to either upgrade, refurbish or build any of the plants used in the production of the goods.

Provide copies of internal documents which support your claims in response to this question.

[XXXXXXXXXXXX]

7. Confirm whether management reports are prepared on production costs. If yes:
 - (a) specify how often these cost reports are prepared;
 - (b) describe the level of detail in those reports and whether they enable the establishment of costs of producing the goods; and
 - (c) specify to whom within the company these reports are provided; and
 - (d) provide copies of these reports for each month of the investigation period.

[XXXXXXXXXXXX]

SECTION K AUSTRALIAN MARKET

K-1 Prevailing conditions of competition in the Australian market

1. Describe the Australian market for the goods and the prevailing conditions of competition within the market, including:
 - (a) Provide an overall description of the Australian market for the goods which explains its main characteristics and trends over the past five years;
 - (b) Provide the sources of demand for the goods in Australia, including the categories of customers, users or consumers of the product;
 - (c) Provide an estimated proportion (%) of sales revenue from each of those sources of demand listed in (b);
 - (d) Describe the factors that influence consumption/demand variability in Australia, such as seasonal fluctuations, factors contributing to overall market growth or decline, government regulation, and developments in technology affecting either demand or production;
 - (e) Describe any market segmentations in Australia; such as geographic or product segmentations;
 - (f) Provide an estimated proportion of sales revenue from each of the market segments listed in (e);
 - (g) Describe the way in which Australian manufactured, Chinese and other imported goods compete in the Australian market;
 - (h) Describe the ways that the goods are marketed and distributed in the Australian market; and
 - (i) Describe any other factors that are relevant to characteristics or influences on the market for the goods in Australia.

Provide documentary evidence to support the responses made to questions 1(a) to (i).

Dalian Steelforce is not informed enough to comment on the market conditions and marketing, structure, product range or use for precision tube in Australia. [XXXXXXXXXXXXX]

2. Provide a diagram which describes the Australian market structure for the goods, ensuring that all the categories of participants are included. In this diagram use linkages to illustrate the different levels of trade and distribution channels within the Australian market.

Dalian Steelforce is not informed enough to comment on the market structure in Australia

3. Describe the commercially significant market participants in the Australian market for the goods at each level of trade over the investigation period. Include in your description:
 - names of the participants;

Dalian Steelforce is not informed enough to comment on the market participants in Australia other than Steelforce Trading is a market participant.

- the level of trade for each market participant (e.g., manufacturer, reseller, original equipment manufacturer (EOM), retailer, corporate stationer, importer, etc.);

Dalian Steelforce is not informed enough to comment on the level of trade of market participants in Australia other than Steelforce Trading. [XXXXXXXXXXXXX]

- a description of the degree of integration (either vertical or horizontal) for each market participant; and

Dalian Steelforce is not informed enough to comment on the degree of integration of the various market participants.

- an estimation of the market share of each participant.

Dalian Steelforce is not informed enough to comment on the market share of the various market participants.

4. Identify the names of commercially significant importers in the Australian market for the goods over the investigation period and estimate their market share. Specify the country each importer imports from and their level of trade in the Australian market, if known.

Dalian Steelforce is not informed enough to comment on the various importers.

5. Describe the regulatory framework of the Australian market for the goods as it relates to competition policy, taxation, product standards and the range of the goods. Provide a copy of any regulation described, if available.

Dalian Steelforce is not informed enough to comment on the regulatory framework in Australia.

6. Describe any entry restrictions for new participants into the Australian market for the goods. Your response could include information on:
 - resource ownership;
 - patents and copyrights;
 - licenses;
 - barriers to entry;
 - import restrictions; and
 - government regulations(including the effect of those government regulations).

In responding to question 6 ensure that relevant regulations are referenced.

Dalian Steelforce is not aware of any significant entry restrictions.

K-2 Goods in the Australian market

1. Generally describe the range of the goods offered for sale in the Australian market. The description should include all goods under consideration including those produced by your company. Your description could include information about:
 - quality differences;
 - price differences;
 - supply/availability differences;
 - technical support differences;
 - the prevalence of private labels/customer brands;

- the prevalence of generic or plain labels;
- the prevalence of premium labels; and
- product segmentation.

Dalian Steelforce produces and exports a range of pipe and tubular goods to the Australian market. The shapes of the goods produces are referred to as

- **RHS/SHS (square and rectangular hollow sections)**
- **CHS (circular hollow section/round pipe)**

and are available in a range of finishes , galvanised and painted.

Price differences are a reflection of differences in raw material costs and feedback on competitive market conditions from the importer.

2. Describe the end uses of the goods in the Australian market from all sources.

Not Applicable [XXXXXXXXXXXX]

3. Describe the key product attributes that influence purchasing decisions or purchaser preferences in the Australian market. Rank these preferences or purchasing influencers in order of importance.

Not Applicable [XXXXXXXXXXXX]

4. Identify if there are any commercially significant market substitutes in the Australian market for the goods.

Not Applicable [XXXXXXXXXXXX]

5. Identify if there are any commercially significant market complements in the Australian market for the goods.

Not Applicable [XXXXXXXXXXXX]

6. Have there been any changes in market or consumer preferences in the Australian market for the goods in the last five years? If yes, provide details including any relevant research or commentary on the industry/sector that supports your response.

Not Applicable [XXXXXXXXXXXX]

K-3 Relationship between price and cost in Australia

1. Describe the importance of the Australian market to your company's operations. In your response describe:

- (a) The proportion of your company's sales revenue derived from sales of the goods in Australia; and

Approximatley X % of total revenue is made from sales of precision tube in Australia

- (b) The proportion of your company's profit derived from sales of the goods in Australia.

Approximatley X% of total profit is made from sales of precision tube in Australia

In responding to question 1 please provide evidence supporting calculations.

2. Is your organisation/business entity the price leader for the goods in the Australian market? If no, please explain the reasons behind your response and specify the name(s) of the price leaders.

Dalian Steelforce is not informed enough to comment on this question

3. Describe the nature of your product pricing (e.g., market penetration, inventory clearance, product positioning, price taker, price maker, etc.) and your price strategies (e.g., competition-based pricing, cost-plus pricing, dynamic pricing, price skimming, value pricing, penetration pricing, bundle pricing, etc.) in Australia. If there are multiple strategies applied, please rank these by importance. If there are different strategies for different products, please specify these. Provide copies of internal documents which support the nature of your product pricing.

Primarily [XXXXXXXXXXXX] to trader

4. Explain the process for how the selling prices of the goods for the Australian market by your business are determined. Provide copies of internal documents which support how pricing is determined.

[XXXXXXXXXXXX] were loaded onto the ship. At this point, [XXXXXXXXXXXX] became the owner of the goods.

- i. **[XXXXXXXXXXXX] then made a TT payment for the goods in accordance with the credit terms.**

5. How frequently are your Australian selling prices reviewed? Describe the process of price review and the factors that initiate and contribute to a review. Provide the names and positions of all persons involved.

[XXXXXXXXXXXX]– refer to reponse K3.4

6. Rank the following factors in terms of their influence on your pricing decisions in the Australian market, with the most important factor ranked first and the least important factor ranked last:
 22. Competitors' prices
 23. Purchase price of raw materials
 24. Cost to make and sell the goods
 25. Level of inventory
 26. Value of the order
 27. Volume of the order
 28. Value of forward orders
 29. Volume of forward orders
 30. Customer relationship management
 31. Supplier relationship management
 32. Desired profit
 33. Brand attributes
 34. Other [please define what this factor is in your response]

[XXXXXXXXXXXX]

7. Describe the relationship between selling price and costs to make and sell in the Australian market. Does your company maintain a desired profit margin for the goods? If not, does your company seek to maintain a desired profit margin for the goods? Provide copies of internal documents which support your response to this question.

Refer to Audited account to demonstrate that Dalian Steelforce is profitable.

[XXXXXXXXXXXX]

8. Do you offer price reductions (e.g., commissions, discounts, rebates, allowances or credit notes) in the Australian market? If yes, provide a description and explain the terms and conditions that must be met by the customer to qualify. Explain how the cost to make and sell are considered in establishing these price reductions. Provide copies of internal documents which support your claims in response to this question.

[XXXXXXXXXXXX]

9. Do you offer bundled pricing in the Australian market? If yes, explain how the pricing for bundled sales is determined. Explain how the costs to make and sell are considered in establishing these bundled prices for the goods. Provide copies of internal documents which support your claims in response to this question.

[XXXXXXXXXXXX]

10. Does the volume of sales to a customer or the size of an order influence the selling price? If yes, advise how volume is used to determine selling prices. Explain how the costs to make and sell are considered in establishing volume based prices for the goods. Provide copies of internal documents which support your claims in response to this question.

[XXXXXXXXXXXX]

11. Does your organisation/business entity use sales contracts in the Australian market? If yes:
- (a) What proportion of your sales revenue would come from contracted sales versus uncontracted sales?
 - (b) Do you offer exclusivity contracts? If yes, what proportion of your sales revenue would come from exclusivity contracts?
 - (c) How frequently are sales contracts renegotiated?
 - (d) How frequently are price reviews conducted between contracts?
 - (e) Do you provide opportunities for price reviews for customers within contracts? If yes, provide a description of the process and an explanation of the circumstances that might lead to a price review.
 - (f) Do changes in your costs to make and sell enable you to review prices for customers within contracts?
 - (g) Provide a list of the customers under contract during the investigation period and copies of the two largest contracts in terms of sales revenue.

[XXXXXXXXXXXX]

12. Provide copies of any price lists for the goods used in the Australian market during the investigation period. If you do not use price lists, describe the transparency of your prices in the Australian market.

Refer Confidential Attachment H1 to H10

13. How do you differentiate pricing for different products/models of the goods in the Australian market? Describe how your products are grouped for price differentiation and the methodology used. Describe any cost to make or selling cost differences between differentiated products. Describe how these cost differences (if any) influence pricing decisions. Provide copies of internal documents which support your claims in response to this question.

[XXXXXXXXXXXX]

14. Do you tier or segment your Australian customers for the goods in terms of pricing? If yes, provide:
- (a) a general description of how this is done;
 - (b) list the factors that influence pricing differentiation in different tiers or segments; and
 - (c) explain how cost to make and selling costs are considered in making pricing decisions for different tiers or segments.

Not Applicable

Provide copies of internal documents which support your claims in response to this question.

15. Do you sell the goods to related entities in Australia? If yes, describe how prices are set for related party transactions and specify what proportion of your sales in terms of sales revenue are to related party entities. If available, provide copies of any internal documents relevant to establishing pricing to related parties.

[XXXXXXXXXXXX]

K-4 Marketing and sales support in the Australian market

1. How does your company market the goods in the Australian market? Include in your response the value proposition used (e.g., competitive price, superior quality, reliability, availability, etc.).

Not Applicable

2. Does your company conduct brand segmentation in the Australian market for the goods? If yes, describe the brand segmentation used and provide the proportion of sales revenue derived from each brand segment.

Not Applicable

3. Provide examples of your Australian advertising of the goods over the past five years. If you have not used advertising in Australia, provide examples of any other promotion campaigns you have conducted over the investigation period.

Not Applicable

4. How many people are in your Australian sales team and where are they located? In general terms, how are they remunerated? If they are offered performance pay based on sales, describe the performance indicators used to establish the performance pay. Provide copies of internal documents which support your claims in response to this question.

Not Applicable only sell to Trader.

5. Describe what parameters are provided to sales staff to assist in establishing pricing for the goods when negotiating sales with customers. Provide copies of internal documents which support your claims in response to this question.

Not Applicable

SECTION L COUNTERVAILING

The following programs are being investigated:

| Category | Program number | Program name |
|--|----------------|---|
| Less than adequate remuneration (LTAR) | 20 | Hot rolled steel provided by government at less than fair market value |
| Grant | 2 | One-time Awards to Enterprises Whose Products Qualify for 'Well-Known Trademarks of China' and 'Famous Brands of China' |
| | 5 | Matching Funds for International Market Development for Small and Medium Enterprises |
| | 6 | Superstar Enterprise Grant |
| | 7 | Research & Development (R&D) Assistance Grant |
| | 8 | Patent Award of Guangdong Province |
| | 15 | Innovative Experimental Enterprise Grant |
| | 16 | Special Support Fund for Non State-Owned Enterprises |
| | 17 | Venture Investment Fund of Hi-Tech Industry |
| | 18 | Grants for Encouraging the Establishment of Headquarters and Regional Headquarters with Foreign Investment |
| | 19 | Grant for key enterprises in equipment manufacturing industry of Zhongshan |
| | 21 | Water Conservancy Fund Deduction |
| | 22 | Wuxing District Freight Assistance |
| | 23 | Huzhou City Public Listing Grant |
| | 27 | Huzhou City Quality Award |
| | 28 | Huzhou Industry Enterprise Transformation & Upgrade Development Fund |
| | 30 | Wuxing District Public Listing Grant |
| | 31 | Anti-dumping Respondent Assistance |
| | 32 | Technology Project Assistance |
| | 34 | Balidian Town Public Listing Award |
| | 40 | Dining lampblack governance subsidy of Jinghai County Environmental Protection Bureau |
| | 41 | Discount interest fund for technological innovation |
| | 42 | Energy conservation and emission reduction special fund project in 2015 |
| | 43 | Enterprise famous brand reward of Fengnan Finance Bureau |
| | 44 | Government subsidy for construction |
| | 45 | Infrastructure Construction Costs Of Road In Front Of No.5 Factory |
| | 46 | New Type Entrepreneur Cultivation Engineering Training Fee Of Jinghai County Science And Technology Commission |
| | 47 | Subsidy for Coal-Fired Boiler of Fengnan Subtreasury |

| Category | Program number | Program name |
|----------|----------------|--|
| | 48 | Subsidy for Coal-Fired Boiler Rectification |
| | 49 | Subsidy for District Level Technological Project |
| | 50 | Subsidy For Pollution Control Of Fengnan Environmental Protection Bureau |
| | 51 | Subsidy from Science and Technology Bureau of Jinghai County |
| | 52 | Subsidy of Environment Bureau transferred from Shiyu |
| Tax | 1 | Preferential Tax Policies for Enterprises with Foreign Investment Established in the Coastal Economic Open Areas and Economic and Technological Development Zones |
| | 10 | Preferential Tax Policies for Foreign Invested Enterprises– Reduced Tax Rate for Productive Foreign Invested Enterprises scheduled to operate for a period of not less than 10 years |
| | 11 | Preferential Tax Policies for Enterprises with Foreign Investment Established in Special Economic Zones (excluding Shanghai Pudong area) |
| | 12 | Preferential Tax Policies for Enterprises with Foreign Investment Established in Pudong area of Shanghai |
| | 13 | Preferential Tax Policies in the Western Regions |
| | 14 | Tariff and VAT Exemptions on Imported Materials and Equipment |
| | 29 | Land Use Tax Deduction |
| | 35 | Preferential Tax Policies for High and New Technology Enterprises |
| | 36 | Local Tax Bureau Refund |
| | 37 | Return of Farmland Use Tax |
| | 38 | Return of Land Transfer Fee |
| | 39 | Return of Land Transfer Fee From Shiyu |

L-1 General

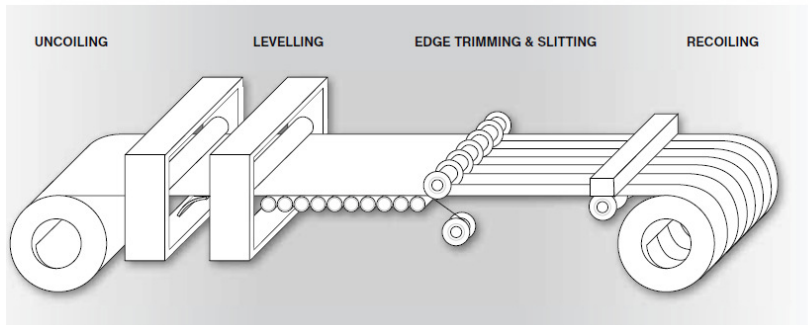
- Complete the worksheet named “L-1 Company turnover”
 - This worksheet is a table of the total company revenue over the period and split into:
 - Total revenue for Australian sales, domestic sales and third country sales
 - Revenue of the goods for Australian sales, domestic sales and third country sales
 - You must provide this table in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Refer **CONFIDENTIAL APPENDIX 550 - Exporter Questionnaire Attachment - China – Subsidy Worksheet** “L-1 Company turnover”.

L-2 Provision of goods at less than adequate remuneration

- Describe the nature of your production process for the goods, including an itemised list of all raw materials (including electricity and gas, if applicable) used by your company in the process.

STEP 1

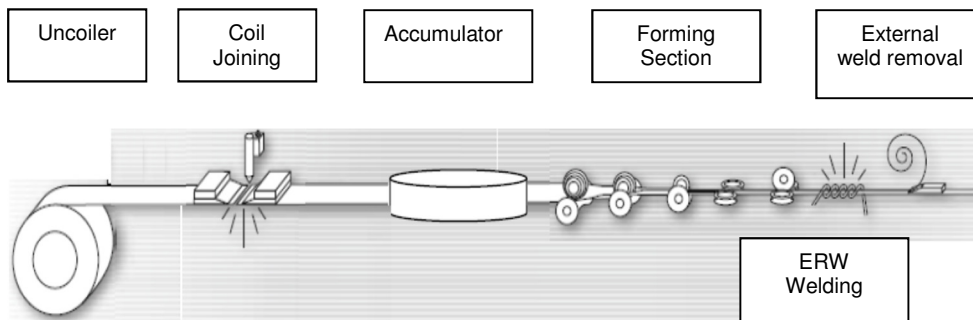


Approximately [XXXXXXXXXXXX] large coils of steel are processed to make welded steel tube. Upon receipt from the manufacturer, the coil widths are measured and the surface quality is inspected. The coils are then placed into the storage area.

When a large coil is required for the manufacture of PPT, it is placed onto a slitting machine which slits the large coil into smaller coils with the required widths to suit the manufacture of different finished products.

The large coils are prepared for the start of the slitting process by uncoiling and levelling. The edges are trimmed and the flat steel is then slit and recoiled into smaller coils. The trimmed edges plus any offcuts from the slitting process are collected for recycling as scrap metal.

STEP 2



Mill Entry

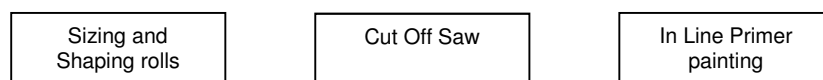
To meet production demands, selected small coils are taken from the storage area. The small coils are joined by a welding process. This does not halt production because an accumulator allows a number of loops of steel to run through the mill while the joining operation takes place.

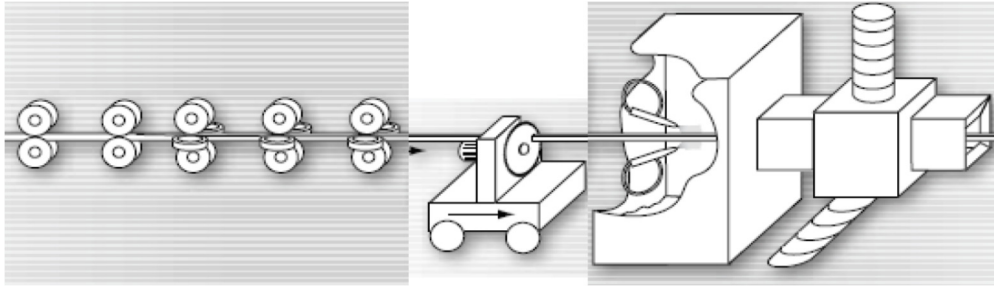
Cold Forming and Welding

A series of forming rolls shapes the flat steel into tube. The steel is not heated and this gradual cold forming process enhances the strength of the steel. After forming, the edges of the tube are pushed together by squeeze rolls and welded using Electric Resistance Welding (ERW).

The external weld flash is removed by special scarfing tools and the pipe is cooled uniformly in a cooling trough.

STEP 3





Sizing and Shaping

The tube then enters the sizing and shaping section where rolls turn it into circular, square, rectangular or oval hollow sections.

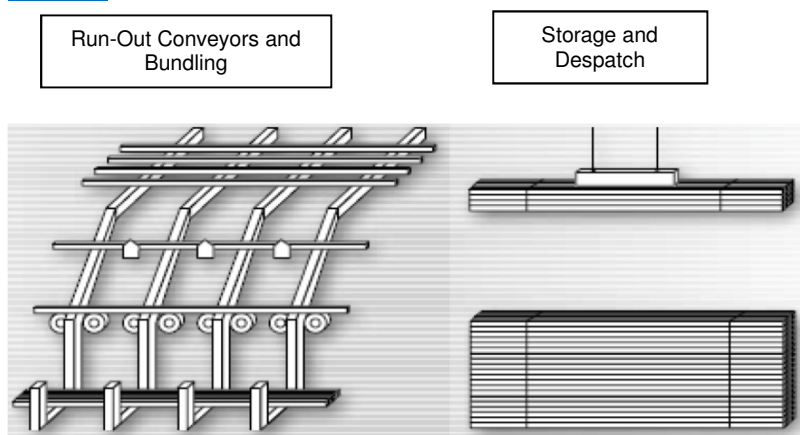
Cut-Off and Protective Primer Painting

After sizing and shaping, the circular, square, rectangular or oval hollow sections pass through an electronically controlled cut-off saw. The product is cut to a specified length and then proceeds to the in-line painting section.

The in-line primer painting process applies a thin coating to the outside of each length. The coating offers good protection for steel products during transport, handling and fabrication.

By products from the production process include downgrade PPT (includes bent product, product with cross welds and general non-conforming product) and scrap (from the slitting, scarfing and welding activities).

STEP 4



Bundling and Despatch

After the primer finish is applied, the product passes across a run-out conveyor to the bundling area. The circular, square, rectangular PPT goods are sorted into pre-specified pack sizes. A number of steel straps are then applied to each pack to aid storage and transport. The packs are weighed and the ends of the products are colour coded to identify wall thickness.

Barcoded identification tags are also attached to each end of the pack. The packs are then taken to the warehouse area where they are stored whilst awaiting loading into containers and then despatch to the wharf.

2. Did your business or any company/entity related to your business receive any benefit under the above programs during the period? If yes, provide details, including:

- (a) the name of any Government of China opinions, directives, decrees, promulgations, measures, or any other official documentation governing the program;
- (b) copy of any application form or relevant official governing documentation (including opinions, directives, decrees, promulgations, measures, etc.) and a translation in English;³
- (c) documentation concerning the Government of China or any association of the Government of China's notification of the measures concerning the goods to your company during the period.

No

- 3. Did your business receive any reduction/reduced price for the purchase of these goods/services during the investigation period? If so, describe the eligibility criteria that your business had to meet in order to qualify for any reduction in the price paid for the goods/services.

Not Applicable – market prices are paid for all coil purchases.

- 4. Provide copies of all contractual agreements that detail the obligations of the State Invested Enterprise (SIE) and your business with reference to the granting and receipt of the assistance/benefits.

Not Applicable

- 5. If your business purchased imported raw materials, explain the reason/s for your business' decision to purchase imported over domestic raw materials, including the key factors affecting the decision such as price, availability etc.

Not Applicable

L-3 Preferential tax programs

- 1. Complete the worksheet named "L-3 Income Tax"
 - This worksheet is a table of your company's income tax liability over the last three financial years.
 - You must provide this table in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Refer *CONFIDENTIAL APPENDIX 550 - Exporter Questionnaire Attachment - China – Subsidy Worksheet "L-3 Income Tax"*.

- 2. Provide a copy of your company's annual tax return for the last three financial years. If the documents are not in English, please provide a translation of the documents.

Copies of the annual tax returns for the last three financial years are attached – refer *CONFIDENTIAL Appendix L-3 (2) 2017, CONFIDENTIAL Appendix L-3 (2) 2018, and CONFIDENTIAL Appendix L-3 (2) 2019.*

³ A link to an active website setting out the relevant official governing documentation is also acceptable.

3. Provide proof of your company's tax payments to your tax authority over the last three financial years, including any progress payments made and related forms submitted to reconcile the annual tax return.

Proof of the company's tax payments over the last three financial years are attached - refer CONFIDENTIAL Appendix L-3 (2) 2017, CONFIDENTIAL Appendix L-3 (2) 2018, and CONFIDENTIAL Appendix L-3 (2) 2019.

The following reconciliation has been prepared – refer CONFIDENTIAL Appendix L-3 (3) payments.

[Confidential table]

4. What is the general tax rate for enterprises (also referred to as the company or corporate tax rate) during the previous two financial years?

XX%

5. Did your company pay less than the general tax rate for enterprises referred to in question I-3.4?

No, therefore the questions below are not applicable.

If yes:

- (a) What tax rate did your company pay?
- (b) Was the reduction in the tax paid or payable related to any of the preferential income tax programs in the table at the top of
- (c) Provide a copy of any confirmation or other correspondence from the authority approving your company for the reduction in tax rate. If the documents are not in English, please provide a translation of the documents.
- (d) Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.

L-4 Financial grants

1. Complete the worksheet named "L-4 Grants"
- This worksheet is a table of the grants received by company over the period plus the two preceding years.
 - You must provide this table in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Refer CONFIDENTIAL APPENDIX 550 - Exporter Questionnaire Attachment - China – Subsidy Worksheet "L-4 Grants" and CONFIDENTIAL Appendix L-4 (1) details which provides details of the Non-Operating Income account for 2017, 2018 and 2019.

2. Provide a copy of your company's non-operating income and/or other business income ledgers, extracted directly from your accounting system, for the period covering the period plus the 2 preceding years.

It is Dalian Steelforce's accounting practice to record receipts from Government grants as "Non-operating income" in the Profit and Loss statement (Statement of Financial Performance) - refer to the Non-Operating Income reported in the company's Audited accounts. Non-operating income includes such things as income from [XXXXXXXXXXXXXXXXXXXX]

A comparison of the non-operating income to total revenue is shown below.

[Confidential Table]

A CONFIDENTIAL extract of Non Operating Income from the accounting system for 2017, 2018 and 2019 has been provided - refer CONFIDENTIAL Appendix L-4 (2) ledger.

3. Did your company receive any grants (or any other financial contribution) from any level of government during the period plus the two preceding years?

If yes:

- (a) Were any of the grants related to any program listed in the table at the top of Section I above? If yes, identify the program.
- (b) Were any of the grants related to programs not listed in the table at the top of Section I above? If yes, provide the names of the programs.

Yes – refer to CONFIDENTIAL APPENDIX 550 - Exporter Questionnaire Attachment - China – Subsidy Worksheet “L-4 Grants”

4. For each of the grants listed in L-4.3:
(a) What is the name of the grant?

refer to CONFIDENTIAL APPENDIX 550 - Exporter Questionnaire Attachment - China – Subsidy Worksheet “L-4 Grants”. There are 3 schemes:

[XXXXXXXXXXXXXXXXXXXX]

- (b) What is the name of the authority providing the grant?

refer to CONFIDENTIAL APPENDIX 550 - Exporter Questionnaire Attachment - China – Subsidy Worksheet “L-4 Grants”.

[XXXXXXXXXXXXXXXXXXXX]

- (c) What is the eligibility criteria to receive the grant?

[XXXXXXXXXXXXXXXXXXXX]

- (d) Is the grant directly related to the goods under consideration, export sales to Australia and/or export sales generally?

[XXXXXXXXXXXXXXXXXXXX]

- (e) Provide details of the application process.

[XXXXXXXXXXXXXXXXXXXX]

- (f) Provide a copy of the blank application form. If the documents are not in English, please provide a translation of the documents.

[XXXXXXXXXXXXXXXXXXXX]

[XXXXXXXXXXXXXXXXXXXX]

- (g) Provide a copy of your company's completed application form, including all attachments to the application form. If the documents are not in English, please provide a translation of the documents.

[XXXXXXXXXXXXXXXXXXXX]

- (h) Provide a copy of any confirmation or other correspondence from the authority approving the grant. If the documents are not in English, please provide a translation of the documents.

[XXXXXXXXXXXXXXXXXXXX]

- (i) Provide proof of payment of your company receiving the grant (e.g. bank statements).

[XXXXXXXXXXXXXXXXXXXX]

- (j) Provide a copy of the accounting journal entries relating to the grant.

[XXXXXXXXXXXXXXXXXXXX]

- (k) Outline the fees charged to, or expenses incurred by your business for purposes of receiving the grant.

The Dalian Steelforce mill applied to [XXXXXXXXXXXXXXXXXXXX]

L-5 Tariff and VAT exemptions on imported materials and equipment

If your business or any company/entity related to your business received benefits under any program that provided an exemption from the payment of import duty and import VAT during the investigation period, please answer the following questions.

1. Please complete worksheet "L-5 VAT and tariff transactions".

Dalian Steelforce has not received benefits under any program that provided an exemption from the payment of import duty and import VAT during the investigation period. Dalian Steelforce is not aware of the treatment or exemption of import duties.

2. Provide complete details involving the amount of the VAT refund received, including whether the refund was received in a lump sum or multiple instalments.

Not applicable

3. Describe the application and approval procedures for obtaining a benefit under the program.

Not applicable.

4. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the GOC in relation to the program.

Not applicable.

5. Outline the fees charged to or expenses incurred by your business in receiving the program.

Not applicable.

6. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.

7. State whether your eligibility for the program was conditional on one or more of the following criteria:

- (a) whether or not your business exports internationally, or has increased its exports;
- (b) the use of domestic rather than imported inputs;
- (c) the industry to which your business belongs; or
- (d) the region in which your business is located.

Not applicable.

8. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.

Not applicable.

9. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.

Not applicable.

10. Indicate where benefits under this program can be found in your accounting system (i.e. specify the ledgers or journals) and financial statements.

Not applicable.

11. Were the materials and/or equipment that were entitled to a refund of VAT used in the production of the goods during the investigation period? If yes, provide the following information:

- (a) type of inputs;
- (b) cost of inputs;
- (c) quantity of inputs; and
- (d) amount of VAT refunded.

Not applicable.

12. Has your company received exemption from payment of or refunds of import duty and import VAT for imported material inputs (e.g. hot rolled coil, coking coal and coke) at any time that were used in the production of the goods during the investigation period? If yes, provide the following information:

- (a) description of imported product;
- (b) country of origin;
- (c) quantity of imported product;
- (d) purchase price;

- (e) terms of purchase (e.g. FOB, CIF);
- (f) ocean freight;
- (g) value for duty of imported product;
- (h) regular rate of taxes and duties;
- (i) concessionary rate of taxes and duties;
- (j) amount of duties and taxes normally applicable;
- (k) amount of duties and taxes paid;
- (l) amount of duties and taxes exempt;
- (m) date of importation;
- (n) tariff classification number;
- (o) customs entry number; and
- (p) application fee.

Not applicable.

13. Explain if (and how) the GOC determines which imported inputs are consumed by your business in the production of the subject goods and in what amounts, and the amount of duty paid or payable on the inputs (including any allowance for waste).

Not applicable.

14. Explain how the GOC determined the percentage rate of duty exemption.

Please note that goods consumed in the production of exported goods (inputs) include:

- (a) goods incorporated into the exported goods; and
- (b) energy, fuel, oil and catalysts that are used or consumed in the production of the exported goods.

Not applicable.

15. Provide a representative sample of copies of import entry documents (for example: bill of entry, invoice from supplier, etc.) for each type of importation covering duty-exempt inputs and duty-paid inputs imported for use in the manufacturing of the subject goods.

Not applicable.

16. In addition to the import entry documents, you must also provide copies, if applicable, of any applications submitted to and/or approval document received from the GOC relating to the exemption from the payment of import duty and import VAT on imported inputs and in relation to the VAT that is refunded on the exportation of the subject goods.

Not applicable.

17. Provide copies of reports and audits by the GOC authority responsible for administering the duty rebate or duty drawback scheme with respect to the verification of the importation and use of inputs and the remittance or drawback of the related duty paid or payable.

Not applicable.

18. To your knowledge, does the program still operate or has it been terminated?

If the program has been terminated, please provide details (when, why). When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

If the program terminated has been substituted for by another program, identify the program.

Not applicable.

L-6 Preferential Loans/Financial Assistance

It is the Commission's understanding that certain enterprises in China benefit from low (subsidised) interest rates or credit facilities from state owned commercial banks and government banks.

1. Provide a general overview of how your company secures necessary financial resources on the financial market (e.g. Loans, issuance of bonds etc.)

As at December 2019, Dalian Steelforce [XXXXXXXXXXXXXXXXXXXX]

Provide answers to the following questions in the worksheet "L-6 Preferential Loans".

2. Provide a list of all the loans provided to your company from banks and financial institutions which have not been fully reimbursed by the end of the investigation period.

Please refer to *CONFIDENTIAL APPENDIX 550 - Exporter Questionnaire Attachment* - [XXXXXXXXXXXXXXXXXXXX]

3. Provide specific details of the loan, including the start date of the loan, the principal amount of the loan, terms and conditions of the loan, purpose of the loan, the repayment terms/frequency, repayment amount, interest rate, interest type (e.g. fixed, variable etc.), if the loan has been redrawn any time during its duration, please provide the redraw date, amount and the reason for redraw.

Please refer to *CONFIDENTIAL APPENDIX 550 - Exporter Questionnaire Attachment - China* [XXXXXXXXXXXXXXXXXXXX]

4. Indicate whether each bank is domestically or foreign-owned and give the percentage of government ownership of each bank (including ownership by entities owned or controlled by a government).

Loans were provided by [XXXXXXXXXXXXXXXXXXXX]

5. In the case of each loan from a government-owned or controlled bank, please explain the reason for borrowing from such a bank rather than a commercial bank. What are the differences in the terms and conditions of loans between the government and commercial banks?

Not applicable – [XXXXXXXXXXXXXXXXXXXX]

6. Explain how the decisions to grant the loan or its conditions are dependent on the purpose of the loan and give details on the process your company went through to apply for the loan. Please provide detail on what conditions or criteria your company needed to fulfil to be granted the loan.

The loan has been ongoing with [XXXXXXXXXXXXXXXXXXXX] for at least five years. The criteria required for the loan is [XXXXXXXXXXXXXXXXXXXX]

7. For each of the loans listed, provide copies of signed loan agreements between the bank which provided the loan and company which was the addressee of the loan specifying the conditions of the loan such as amount, term of repayment, interest rate etc. Also provide a copy of your application for the loan.

[XXXXXXXXXXXXXXXXXXXX]

*Note: If your company has more than one loan from same bank/financial Institution which were not repaid by the end of the investigation period and the loan agreements for these loans are standardised, it is sufficient **at this stage** to provide an English translation for one of them only (e.g. If your company has multiple loans from one particular bank which only differ in amounts you only need to translate one of them into English for your questionnaire response. However it is necessary to translate all credit line agreements from which loans not repaid by the end of the investigation period were drawn.*

8. Please explain whether the granting of the specific loan depended on the link between the purpose of the loan and the goals specified in any government plan or development program. Provide a copy of the laws, regulations, administrative guidelines and any other acts relevant for the operation of this lending with any subsequent amendments. Also include a copy of any governmental or development plan of which the scheme represents a direct implementation.

Not applicable. [XXXXXXXXXXXXXXXXXXXX]

9. For each loan application, please explain the involvement of third parties such as government departments, local councils, party committees in the whole process since the application for the loan up to the decision whether the loan is granted or not.

Not applicable. [XXXXXXXXXXXXXXXXXXXX]

10. In the "L-6 Preferential Loans" spreadsheet, provide the information requested on guarantees for the loans provided to your company.

No guarantees were provided to obtain the loans. However, [XXXXXXXXXXXXXXXXXXXX]

11. Please give details of all loan applications during the investigation period which were refused. Provide the name of the bank, the amount of the loan requested and the reasons for refusal.

Not applicable. [XXXXXXXXXXXXXXXXXXXX]

12. Provide any other information you may deem necessary for the Commission to make an assessment on the subsidisation of producers/exporters of the product under investigation. You may adjust the table in the "Loans" tab as necessary to include this additional information.

[XXXXXXXXXXXXXXXXXXXX]

L-7 Other Programs

1. Provide a list of all the provinces in which you have business operations (including locations of factories, sales offices, or other places of business).

Dalian Steelforce Hi-Tech Co., Ltd. has only one "business operation" - it is located in Liaoning province.

2. Are you aware of any programs of the Government of China, any of its agencies or any other authorised body that benefits manufacturers of the goods that have not been accounted for in this questionnaire? Provide the name of those programs you are aware of (even if your company is not eligible to receive benefit under the program.)

Dalian Steelforce Hi-Tech Co., Ltd. is not aware of any other programs

3. Indicate the location of the program by region, province or municipal level.

Not applicable

4. Indicate the type of program, for example:
- the provision of grants, awards or prizes;
 - the provision of goods or services at a reduced price (e.g. electricity, gas, transport);
 - the reduction of tax payable including income tax and VAT;
 - reduction in land use fees;
 - loans at below-market rates; or
 - any other form of assistance.

Not applicable

For **each program** that you have identified, answer the following.

5. Indicate whether your company benefited from any of the listed programs during the period.

Not applicable

6. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production or only certain products that have undergone research and development).

Not applicable

7. Describe the application and approval procedures for obtaining a benefit under the program.

Not applicable

8. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments, all contractual agreements entered into between your business and the Government of China and any other official governing documentation in relation to the program⁴ (including a translation in English).

Not applicable

9. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.

Not applicable

10. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.

Not applicable

11. State whether your eligibility for the program was conditional on one or more of the following criteria:

⁴ A link to an active website setting out the relevant official governing documentation is also acceptable.

- (a) whether or not your business exports or has increased its exports;
- (b) the use of domestic rather than imported inputs;
- (c) the industry to which your business belongs; or
- (d) the region in which your business is located.

Not applicable

12. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.

Not applicable

13. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.

Not applicable

14. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.

Not applicable

15. To your knowledge, does the program still operate or has it been terminated?

Not applicable

16. If the program has been terminated, please provide details (including when and why). When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

If the program terminated has been substituted for by another program, identify the program and answer all the questions in Part L-7 in relation to this programme.

Not applicable

EXPORTER'S DECLARATION

I hereby declare that.....(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 :: [XXXXXXXXXXXXXXXXXX]

Signature :.....

Position in

Company :.....

Date :.....

APPENDIX

GLOSSARY OF TERMS

This glossary is intended to provide you with a basic understanding of technical terms that appear in the questionnaire.

Adjustments

To enable a fair comparison between the export price and the normal value Australian legislation provides for the adjustment of the domestic price paid for like goods. Adjustments are made to account for sales occurring at different times, specification differences, and differences in the terms or circumstances of the sales. The adjustment to the normal value may be upward or downward. Areas where you believe an adjustment is necessary should be identified. Section E of the questionnaire refers.

Examples of adjustments that may be made include: *sales occurring at different times* (it is sometimes necessary to compare domestic and export sales made at different times - in these circumstances an adjustment may be made to reflect price movements during that time); *specification differences; packaging; taxes; level of trade; advertising; servicing/warranty; inland freight; warehousing; export charges; credit terms; duty drawback; commissions*.

Adjustments may also be required where the normal value is based on costs to make and sell.

Arms length

Sales are not considered to be at "arms length" on your domestic market if there is any consideration payable for the goods other than their price, or there is an association between the buyer and the seller which affects the price, or there will be a reimbursement, compensation or benefit for, or in respect of, the price.

Constructed value

In cases where prices paid for like goods sold in the country of export cannot be used for the determination of normal value, i.e. when there are no or insufficient sales or where such sales were not made in the ordinary course of trade, normal value may be based on a constructed value. Constructed value is calculated on the basis of the cost of production of the goods under consideration plus a reasonable amount for selling, general and administration costs, and for profits, that are associated with sales on the domestic market of the country of export.

Cost of production/manufacturing

The cost of production or manufacture consists of all manufacturing costs associated with the goods. It is the sum of direct materials, direct labour and factory overheads.

Cost to make and sell

The cost to make and sell is the sum of the cost of production or manufacture, and the selling, general and administration costs associated with the sale of those goods.

Country of origin

The country in which the last significant process in the manufacture or production of the goods was performed.

Date of sale

The Commission will normally use the invoice date as recorded in the exporter or producer's records. Another date may be used if this better reflects the material terms of sale. The questionnaire directs attention to matching data sets of domestic and export sales where some other date is used, as well as matching cost information.

Direct labour cost

Direct labour is categorised as a variable cost, i.e. the value varies with the level of production.

Dumping

Dumping occurs when the products of one country are exported to another country at a price less than their normal value.

Dumping margin

Where the export price is less than the normal value the dumping margin is the amount of the difference. It can be expressed as a value or as a percentage of the export price.

Export price

The export price of the goods is usually the price paid or payable to the exporter in arms length transactions, in most instances calculated at the Free on Board (FOB) level.

Exporting country

The country of export is normally the country of origin from which the goods are shipped. The country of export may be an intermediate country, except where the products are merely transhipped through that country, or the products concerned are not produced in that country, and there is no comparable price in that country.

Factory overheads

Factory overheads consist of variable costs e.g. power, supplies, indirect labour and fixed costs e.g. factory rent, factory insurance, factory depreciation etc.

Goods under consideration (the goods)

The goods to which the application for anti-dumping action relates. That is, the goods that you have exported to Australia allegedly at dumped prices.

Incoterms

The following abbreviations are commonly used (comment is provided concerning costs that are normally borne by the seller):

| | |
|-----|--|
| EXW | ex works (the seller's minimum obligation as costs relate to goods being made available at the sellers premises) |
| FCA | free carrier (main carriage not paid by seller. Pay costs until such time that the goods have been delivered at the named point into custody of a carrier named by the seller. Customs formalities, taxes etc. paid if required) |
| FAS | free alongside ship (main carriage not paid by seller. Deliver the goods alongside the ship) |
| FOB | free on board (main carriage not paid by seller. Deliver the goods on board, provide export clearance if required, pay loading costs to the point the goods have passed the ship's rail, pay customs formalities, taxes etc. payable upon exportation) |
| CFR | cost and freight (main carriage paid by seller. Pay all costs until delivered as well as freight, loading and unloading, pay customs formalities, taxes etc. payable upon exportation) |
| CIF | cost, insurance and freight (main carriage paid by seller. Pay all costs as under CFR as well as marine insurance) |
| CPT | the terms CFR and CIF are only used where goods are carried by sea or waterway transport |
| CIP | carriage paid to carriage and insurance paid to the terms CPT and CIP are used as alternatives to CFR and CIF where the goods are carried by air, road, rail etc. |
| DAF | delivered at frontier (goods carried by rail or road and cleared for export at the named place at the frontier. Pay costs until delivered at the frontier plus any discharge costs incurred to place |

| | |
|-----|---|
| | the goods at the customer's disposal) |
| DES | delivered ex ship (goods made available to the buyer on board the ship uncleared for import at the named port of destination. Pay all costs incurred in placed at the disposal of the buyer, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country) |
| DDU | delivered duty unpaid (Pay all costs for carriage to the agreed point, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country) |
| DDP | delivered duty paid (goods made available at the named place in the country of importation – all risks and costs being incurred by the seller including duties, taxes etc. incurred upon importation) |

The period

A period defined by the Commission over which importations of the goods are examined.

Like goods

Like goods are goods sold on the domestic market of the country of export (or to a third country) that are identical in all respects to the goods or that, although not alike in all respects have characteristics closely resembling those of the goods. The term 'like goods' also refers to the goods produced by the Australian industry allegedly being injured by dumped imports.

Normal value

Australian legislation sets out several ways to assess "normal value".

The preferred method is to use the price paid for like goods sold for domestic consumption in the country of export. Usually, these sales are made by you, but there may be circumstances where it is appropriate to use sales made by other sellers on the domestic market.

Sale prices must be at arms length and in the ordinary course of trade. In the absence of relevant or suitable domestic sales, the normal value may be determined by constructing a price based on all costs to make and sell the goods, and an amount for profit. Alternatively the normal value may be ascertained using the price paid for like goods sold in the ordinary course of trade at arms length to customers in a country other than Australia, however this option is rarely used.

Finally, when a normal value cannot be ascertained by any of the above methods, or if no information is provided, the Commission will determine the normal value by considering all the relevant information, including the applicant's information. This allows the applicant's information to be used where sufficient information has not been furnished or is not available.

Where domestic price generally, and the trade of the exporting country are determined or substantially influenced by the government of the exporting country, an alternative/surrogate market economy is selected by the Commission and the normal value is determined as if the surrogate country were the export source.

Ordinary course of trade

Testing for "ordinary course of trade" includes a comparison of the selling price and the unit cost to make and sell for the same period. If sales in respect of a substantial quantity of goods over an extended period of time, usually 12 months, do not recover all costs and these losses are not likely to be recovered within a reasonable period of time, (again usually 12 months) then the sales are regarded as being not in the ordinary course of trade.

There may be circumstances where it is appropriate to use a period other than 12 months in assessing whether sales are in the ordinary course of trade.

Unprofitable sales are to be taken to have occurred in substantial quantities during an extended period where the unprofitable sales amount to 20% or more of the total volume of sales of the goods by the exporter over the period. An extended period of time is usually taken to be a period not less than 12 months. Where unprofitable sales are rejected, normal value is based upon remaining profitable sales provided they occur in sufficient

number. Where all sales have been made at a loss, or profitable sales are insufficient, the normal value may be constructed from costs to make and sell.

Selling, general and administration expenses (SG&A)

The selling, general and administration expenses includes all selling, distribution, general and administration expenses including finance costs that would be incurred if the goods were sold for domestic consumption in the country of export. The amounts are determined in each case using all the available information and may include expenses incurred in:

- . domestic sales of like goods;
- . sale of goods of the same general category by the exporter; or
- . sales in the industry in the country of export.

The expenses must, however, reflect the selling, general and administration costs of the goods. Administrative and selling expenses include: director's fees, management salaries and benefits, office salaries and benefits, office supplies, insurance, promotion, entertainment, depreciation and corporate overheads.



Manufacturers of Quality Steel Hollow Sections



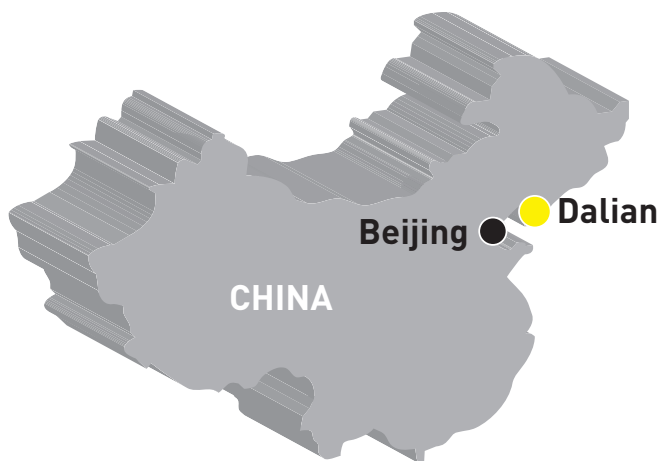
Steelforce Dalian

www.steelforce.com.au

The Steelforce business is 100 percent Australian owned and managed. The company has a commitment to providing quality products, superior customer service and value to customers. For these reasons Steelforce build their steel tube mills in China endeavouring to provide high quality products with competitive pricing for the industry.

Commissioned in 2006 the Steelforce Dalian facility now runs two pipe and tube mills and two steel coil slitters. The facility is operational seven days a week manufacturing products that fully comply with Australian & New Zealand Standards.

Owning and operating its own tube mills, Steelforce can offer many advantages for the steel pipe and tube customer. With Steelforce you are dealing directly with the manufacturer. You have the convenience of special length ordering, product traceability and Standards compliant product with direct and reliable supply.



Visit www.steelforce.com.au for more information on Steelforce and its full product offer.

Steelforce Australia Ltd

ABN 49 093 284 078

PO Box 8267 Wynnum North QLD 4178

Manufactured to Australian and New Zealand Standards

Steel Hollow Sections:

- Rectangular Hollow Sections
- Square Hollow Sections
- Circular Hollow Sections
- Piping Products
- FireForce™ Fire Pipe
- Primer Painted Sections
- GalForce™ Galvanized Sections

Fabricated Products:

- GalForce™ Gates
- GalForce™ Cattle Panels

