



Exporter Questionnaire

Case number: 584

Product: Merchant Bar

From: Taiwan

Investigation period: 1 April 2020 to 31 March 2021 (the period)

Response due by: 7 July 2021

Email enquiries to: investigations1@adcommission.gov.au

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

Responses to the exporter questionnaire must be submitted via SIGBOX. Please contact the Commission on the above email address to request access to SIGBOX.

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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 merchant bar exported to Australia from Taiwan.

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 merchant bar is dumped.

Any information provided may be used by the Commission for any purpose consistent with its statutory functions.

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 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.

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Submitting a response to the exporter questionnaire

Responses to the exporter questionnaire should be lodged via SIGBOX, a secure online document repository. Please contact the Commission on the email address listed on the cover page to request access to SIGBOX.

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 considered as an uncooperative exporter.

Confidential and non-confidential responses

You are required to lodge a confidential version (OFFICIAL: Sensitive) and a non-confidential version (for publishing on the 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 “**OFFICIAL: Sensitive**” or “**PUBLIC RECORD**”.

All information provided to the Commission in confidence will be treated accordingly. The public record version of your questionnaire will be placed on the public record, and must contain sufficient detail to allow a reasonable understanding of the substance of the information without breaching confidentiality.

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 questionnaires are required to have a bracketed explanation of deleted or blacked out information for the public record version of the questionnaire. 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 requested to resubmit your response with the required level of detail or, if deadlines have passed, the Commission may not have regard to it.

Verification of the information that you supply

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

The verification 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.

The verification may include Commission staff visiting your company to conduct on onsite verification¹. Any onsite verification typically commences approximately 2 to 4 weeks after the due date of the response to the exporter questionnaire. To assist with the planning of a verification, please contact the Commission as soon as possible for a potential verification date to be scheduled.

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

¹ The Commission has temporarily suspended onsite verification due to the COVID-19 pandemic (refer to Anti-Dumping Notice No. 2020/29). However, your response to the exporter questionnaire may still be subject to onsite verification should the suspension of onsite verifications be lifted.

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

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

A report will be prepared following the verification, 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 margin. The Commission considers that the dumping margin is not confidential information, but rather an aggregate figure derived from confidential data.

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

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. To the extent that the foreign language version differs, the English translation will be given priority as a matter of interpretation in Australia.
- 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 shared with the Commission via SIGBOX, a secure online document repository. Please contact the Commission to request access to SIGBOX if required.

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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 type="checkbox"/>
Section B Export sales to Australia	<input type="checkbox"/>
Section C Exported goods & like goods	<input type="checkbox"/>
Section D Domestic sales	<input type="checkbox"/>
Section E Due allowance	<input type="checkbox"/>
Section F Third country sales	<input type="checkbox"/>
Section G Cost to make and sell	<input type="checkbox"/>
Exporter's declaration	<input type="checkbox"/>
Non-confidential version of this response	<input type="checkbox"/>

Attachments	Please tick if you have provided spreadsheet
B-2 Australian sales	<input type="checkbox"/>
B-2.2 Australian sales source	<input type="checkbox"/>
B-4 Upwards sales	<input type="checkbox"/>
B-5 Upwards selling expenses	<input type="checkbox"/>
D-2 Domestic sales	<input type="checkbox"/>
D-2.2 Domestic sales source	<input type="checkbox"/>
F-2 Third country sales	<input type="checkbox"/>
F-2.2 Third country sales source	<input type="checkbox"/>
G-3 Domestic CTM	<input type="checkbox"/>
G-3.2 Domestic CTM source	<input type="checkbox"/>
G-4.1 SG&A listing	<input type="checkbox"/>
G-4.2 Dom SG&A calculation	<input type="checkbox"/>
G-5 Australian CTM	<input type="checkbox"/>
G-5.2 Australian CTM source	<input type="checkbox"/>
G-7.2 Raw material CTM	<input type="checkbox"/>
G-7.4 Raw material purchases	<input type="checkbox"/>
G-8 Upwards costs	<input type="checkbox"/>
G-10 Capacity Utilisation	<input type="checkbox"/>

GOODS UNDER CONSIDERATION / GOODS SUBJECT TO ANTI-DUMPING MEASURES

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

The goods are steel bars and sections in the following shapes and sizes, whether or not containing alloys:

- “Flat bars” (Rectangular sections) that have a thickness of 4.75 millimetres (mm) or greater and have a width greater than 17 mm and less than 165 mm;
- “Channels” (U sections and C sections) that have a web thickness greater than 3 mm and are of a height greater than 70 mm and less than or equal to 130 mm; and
- “Equal angles” and “unequal angles” (L sections), that have a thickness greater than 2.5 mm with a combined leg length greater than 40 mm and less than or equal to 200 mm.

“Flat bars” include "modified rectangles", of which two opposite sides are convex or concave arcs, the other two sides being straight, of equal length and parallel. “Channels” include both parallel and tapered flanges. Steel sections in the dimensions described above, that have minimal processing, such as cutting, drilling or coating (other than coating or plating with zinc or a zinc alloy) do not exclude the goods from the subject of this application.

Goods excluded from this application are:

- goods that are formed by welding or are cold-formed or slit from flat-rolled products ;
- goods that are galvanised;
- goods that are of stainless steel; and
- goods that are in coiled form.

Goods that meet the above description are commonly, but not exclusively, referred to as “merchant bar”.

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Model Control Code

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

Item	Category	Sub-category	Identifier	Sales Data	Cost data	Key category
1	Quality	Prime	P	Mandatory	N/A	Yes
		Non-prime	N			
2	Shape	Flats	F	Mandatory	Mandatory	Yes
		Equal angles	E			
		Unequal Angles	U			
		Parallel flange channels	P			
		Tapered flange channels	T			
3	Grade Minimum yield strength specified by the Standard the product is certified to be produced to (measured in megapascals or “MPa” or Newton per square millimetre (N/mm ²)). ²	Less than 275	250	Mandatory	Mandatory	Yes
		Equal to or greater than 275 or less than 330	300			
		Equal to or greater than 330	350			

In constructing a MCC, use a "-" between each category. For example: P-F-250 (using the three MCC categories) would indicate prime flat merchant bar with grade less than 275.

The MCCs will be used to 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 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 considered deficient.

² This is NOT the actual batch test result indicated on a test certificate as the actual results must necessarily exceed the minimum requirement of the Standard.

SECTION A COMPANY INFORMATION

A-1 Company representative and location

1. Please nominate a contact person within your company:
Name: *Jeffrey Huang (CHIN YAO, HUANG) /Jacky Cheng (KUAN HAO, CHENG)*
Position in the company: *Marketing Manager/Sales*
Telephone: *+886-4-798-0060*
E-mail address: *sales@tssteel.com.tw ; Jeffrey@tssteel.com.tw ; ting@tssteel.com
jacky@tssteel.com.tw*
2. If you have appointed a representative, provide their contact details:
Name: *Leadshiner Certified Public Accountants, KAN YI WEI CPAs*
Address: *2F.-2, No. 108, Minguan Rd., Xindian Dist., New Taipei City 231, Taiwan (R.O.C.)*
Telephone: *+886-2-8667-1331*
E-mail address: *kan@lscpa.com.tw ; hsjsjelf@lscpa.com.tw*

Response:

TS STEEL CO., LTD (hereinafter referred to as "TS Steel") appointed a CPAs, KAN YI WEI from Leadshiner Certified Public Accountants as the legal representative for the case. Please refer to "Exhibit 1-Power of Attorney" for the letter of appointment.

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 your company's financial records are held.

Response:

TS Steel held the company's financial records at NO.6, GONG 6th RD., INDUSTRIAL PARK, SHENGANG TOWNSHIP, CHANGHUA COUNTY 50971, TAIWAN (R. O. C.).

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

Response:

TS Steel held the production records at NO.6, GONG 6th RD., INDUSTRIAL PARK, SHENGANG TOWNSHIP, CHANGHUA COUNTY 50971, TAIWAN (R. O. C.)

5. Please provide the location of your company's production plant manufacturing the goods under consideration.

Response:

TS Steel produced the goods at NO.6, GONG 6th RD., INDUSTRIAL PARK, SHENGANG TOWNSHIP, CHANGHUA COUNTY 50971, TAIWAN (R. O. C.)

A-2 Company information

1. What is the legal name of your business?

Response:

The legal name of the company is T S STEEL CO., LTD, please refer to "Exhibit 2- Company Registration" for the company information downloaded from the Taiwan authority database. The website of MOEA:

<https://findbiz.nat.gov.tw/fts/query/QueryBar/queryInit.do?disj=CE16273A71F64EF4E48673E98D117094&fhl=en>

Please key-in the Unified Business No. 52259520, then the registration information will be shown.

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

Response:

T S Steel does not trade under any different name or brand during the period.

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

Response:

T S Steel was using the legal name "T S STEEL CO., LTD" since its establishment in 1974.

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

Response:

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T S Steel changed the board of directors list on April 1st, 2019, please refer “Exhibit 2- Company Registration” for latest list and “Exhibit 3- Board of Director before Modification” for the previous member of board of directors.

5. Is your company part of a group (e.g. parent company with subsidiaries, common ownership, joint-ventures)? If yes, provide:
- (a) A diagram showing the complete ownership structure; and
 - (b) A list of all related companies and its functions

Response:

T S Steel is the parent company of T S STEEL STRUCTURE CO., LTD (hereinafter referred to as “T S Steel Structure”), T S Steel Structure is the only and fully owned subsidiary of T S Steel which mainly provides the welding service to the domestic market. Please refer to “Exhibit 4-T S Steel Structure Catalogue” for company brief production.

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 shareholders³
- If no, please provide:
- (a) A list of all principal shareholders and the shareholding percentages.

Response:

No. T S Steel provided the list of all current board of directors and the principal shareholders who held over 10% of the shares, the shareholding percentages are shown below:

NO.	Principal Shareholder’s Name	Shareholding percentages	Remarks
1.	[]	8%	board of directors
2.	[]	2%	board of directors
3.	[]	6%	board of directors
4.	[]	1%	board of directors
5.	[]	6%	board of directors
6.	[]	7%	board of directors
7.	[]	10%	board of directors
8.	[]	10%	Director

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

Response:

T S Steel is a Taiwan steel manufacturer which is mainly producing and selling commercial merchant bars including hot rolled steel flat bars, channel bars, equal angle bars and unequal angle bars. There is about 70% of domestic sales and 30% of sales are exported to Australia, New Zealand, Southeast Asia, and other countries.

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.

Response:

This question is not applicable since T S Steel produced the goods under consideration.

9. Provide your company’s internal organisation chart.

Response:

T S Steel provided the internal organisation chart, please refer to “Exhibit 5- Organize System Diagram”.

³ 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.

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

Response:

T S Steel provided the internal organisation chart, please refer to "Exhibit 5- Organize system diagram" for the function that performed by each department. There are three departments: Sales, Management and Production departments.

A. Sales Department include:

- (1) Sales Section is responsible for Sales, collects and delivers detailed market information.*
- (2) General Administration Section is contact with warehouse, customer, and transporter.*

B. Management Department include:

- (1) Financial Section deal with cashier and procurement management.*
- (2) Accounting Section is responsible for bookkeeping, vat and tax return declaration, and financial statement preparation.*
- (3) General Affair Section is for human resource and supplier chain management.*

C. Production Department include:

- (1) Warehouse Section: Stock management and delivering.*
- (2) Product Section: confirm all sizes of the products.*
- (3) Manufacturing Section: producing the products.*
- (4) Equipment Maintenance Section: maintenance and repair all equipment.*

There are two support section, one is R&D Section which focus on production management and improve production; the other is Quality Control Section which is responsible for ISO standards and quality control.

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

Response:

T S Steel provided the product catalogue, please refer to "Exhibit 6- Product Catalogue".

A-3 General accounting information

1. What is your financial accounting period?

Response:

The financial accounting period of T S Steel is from January 1st to December 31st.

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

Response:

Yes. T S Steel appointed EnWise CPAs & Co to audit the company financial accounts.

3. What currency are your accounts kept in?

Response:

T S Steel uses New Taiwan Dollars (TWD) as an accounting currency.

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

Response:

The name of T S Steel financial accounting system is SIMIS STSTEM.

5. What is the name of your sales system?

Response:

The name of T S Steel sales system is SIMIS STSTEM.

6. What is the name of your production system?

Response:

The name of T S Steel production system is SIMIS STSTEM.

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.

Response:

This question is not applicable since T S Steel using the same system for keeping the data of accounting, sales, and production.

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

Response:

No, TS Steel adopts the GAAP to fit the Taiwan standards.

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

Response:

There are no changes in accounting principles 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.

Response:

The audited financial report of 2019 and 2020 please refer to Exhibit 7-1 for Chinese Version and Exhibit 7-2 2019 & 2020 Audited Financial Report-EN.

TS Steel has one subsidiary "T S Structure Co., Ltd." (here and after called TS Structure). But please note that T S Structure did not involve in the production and sale of the subjected merchandise as T S Structure produced welding bar.

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.

Response:

The question is not applicable, because the financial statements are audited.

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.

Response:

No, The Company not maintained different profit centres.

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.

Response:

Please refer to Exhibit B-4 (1) for Income Statement of IP.

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

Response:

Please refer to Exhibit 8(1) for Trial Balance of 2020 and Exhibit 8(2) for the trial balance of the period.

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

Response:

Please refer to Exhibit 9 for Chart of Accounts.

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

SECTION B

EXPORT SALES TO AUSTRALIA

B-1 Australian export sales process

1. Provide details (and diagrams if appropriate) of the export sales process of your company and representatives (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

Response:

The export sales process please refer to Exhibit 10 for Production, Sales and Accounting Flow Chart.

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

Response:

The invoice currency for goods exported to Australia is USD but domestic invoice is NTD.

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

Response:

No, our customers paid directly into TS Steel's foreign currency account.

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

Response:

No, TS Steel is not using forward contracts to lock in the foreign exchange rate relating to the export sales.

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

Response:

The exchange rate for export sales or import in accounting system is using the customs exchange rate which recorded on the export or import declaration. The exchange rate is announced by Customs Administration. The exchange rate for the deposit and payment are using the actual rate from the bank.

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.

Response:

No, there is no Australian customers related to the company.

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

Response:

The question is not applicable. The company did not have a price lists or price extras list, price negotiations are based on monthly quotation and case by case.

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.

Response:

The question is not applicable. The Company offer the same prices for all customers, there is no vary selling prices according to the distribution channel.

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 and/or rebate.

Response:

The company did not provide on-invoice discounts or off-invoice rebates to export customers.

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.

Response:

The company did not issue any credit or debit notes of the sales of the goods exported to Australia during the period.

8. In establishing the date of sale, the Commission will normally use the date of invoice as it best reflects the material terms 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?

Response:

The date of sales is the date of export declaration.

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

Response:

Because the terms of export sales should be declared. And the accounting department recorded the sales date is same with the export declaration date, and the same time, accounting department will also issue the domestic invoices.

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.

Response:

TS Steel completed the sales listing, please refer to Exhibit B-2 Australian Sales. Please note, TS Steel reported direct selling expenses as following:

- 1.) []
- 2.) []
- 3.) []
- 4.) []
- 5.) []
- 6.) []
- 7.) []

2. Complete worksheet "B-2.2 Australian sales source" showing the relevant source of the data used for each column of worksheet "B-2 Australian sales".

Response:

TS Steel reported the basic data of every transaction such as quality, shape, grade etc. by directly typing into B-2 since TS Steel did not usually record the data in the company system. The sales information is from the sales department. And the original documents of expenses are from accounting department. Please refer to Exhibit B-2.2.

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

PUBLIC RECORD

- 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
- Product Specification
- 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.

Response:

Please refer to Exhibit B-3 (1) Australian Sample 1 and Exhibit B-3 (2) Australian Sample 2. The invoice numbers are TS-03A0112 and TS-03A0116.

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.

Response:

TS Steel prepare a work sheet to reconciling the details to B-2, please refer to ‘Exhibit B-2(1) Direct Selling Expense Worksheet for Australian Sales’.

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.

Response:

TS Steel completed the worksheet and reconciled the sales from the period to company accounting period. Please note that the accounting period is from January 1st to December 31st.

So, the calculation for the period is:

2020 Financial Report (Company total amount) - 2020 Q1 + 2021 Q1 = the period

Please note TS Steel recorded the gross sales on the account “4101 Sales Revenue”.

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.

Response:

TS Steel provided the income statement of 2020, 2020 Q1, 2021 Q1. Please refer to Exhibit B-4 (1) for Income Statement of IP.

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; and
 - provide the account code and sub-account code (if applicable) at column E of the worksheet.

Response:

1) Revenue in Income Statement can tie to Audited Report (Exhibit 7-2, Page 5).

2) Company total net sales in the period please refer to Exhibit B-4 (1).

3) Total net sales for all the goods under consideration also can tie to Exhibit B-4 (1), D-2, B-2, and F-2.

B-5 Reconciliation of direct selling expenses to financial accounts

1. Please complete the worksheet named “B-5 Upwards selling expense” to demonstrate that the direct selling expenses (e.g. Inland transport) in B-2 and D-2 are complete.
 - You must provide this list in electronic format using the template provided.
 - Please use the currency that your accounts are kept in.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Response:

PUBLIC RECORD

Please note that [] are recorded on “7134 Operating- Export Fee”. [] is recorded on “7114 Operating-Inland Transportation Expenses”.

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.

Response:

Total direct selling expenses can tie to Exhibit G-4.1, and the summary of all direct selling expense please refer to Exhibit B-4 (1).

3. For any amount in the “B-5 Upwards selling expense” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:
 - the name of the source document, including the relevant page number, in column C of the worksheet;
and
 - highlight or annotate the amount shown in the source document; and
 - provide the account code and sub-account code (if applicable) at column D of the worksheet.

Response:

The question is not applicable since the data that provided by TS Steel are excel files.

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.

Response:

During the investigation period, TS Steel exported Hot rolled steel Flat Bar, Equal Angle Bar and Unequal Angle Bar to Australia.

The Flat Bar sizes start from width 40mm to 300mm, and the Equal Angle Bar only sales []MT, and some Unequal Angle Bar with the specification of 125 x 75 x 10 and 150 x 90 x 8.

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.

Response:

T S Steel have only three MCCs exported to Australia, P-E-250, P-F-300, and P-U-300.

<i>MCCs</i>	<i>Volume (KG)</i>	<i>Net Sales Value (NTD)</i>
<i>P-E-250</i>	<i>[]</i>	<i>[]</i>
<i>P-F-300</i>	<i>[]</i>	<i>[]</i>
<i>P-U-300</i>	<i>[]</i>	<i>[]</i>
<i>Total</i>	<i>[]</i>	<i>[]</i>

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.

Response:

During the investigation period, TS Steel sold Hot rolled steel Flat Bar, Non-slip Flat Bar, Equal Angel Bar, Unequal Angle Bar and Tapered Channel Bar in domestic market.

The Flat Bar sizes start from width 25mm to 161mm, and the Equal Angle Bar combined leg length start from 76mm to 200mm. For the combined leg length of unequal Angle Bar is started from 175mm to 200mm, the Tapered Channel Bar height is start from 75mm to 150mm.

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.

Response:

The MCCs sold in the domestic market as shown below:

<i>MCCs</i>	<i>Volume (KG)</i>	<i>Net Sales Value (NTD)</i>
<i>P-E-250</i>	<i>[]</i>	<i>[]</i>
<i>P-F-300</i>	<i>[]</i>	<i>[]</i>
<i>P-U-250</i>	<i>[]</i>	<i>[]</i>
<i>Total</i>	<i>[]</i>	<i>[]</i>

*Please noted that P-U-250 with the specification 125*75*7 in D-2 is similar with the specification of P-U-300 in B-2.*

C-3 Internal product codes

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

If yes:

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- (a) Provide details of the product or SKU coding system for the goods, such as a legend or key of the meaning for each code within the product or SKU code.
- (b) Provide details on how you mapped the product or SKU codes to the MCC for the purpose of completing this questionnaire.
- (c) Provide a table of showing the product or SKU codes for each MCC.

If no:

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

Response:

TS Steel has its product codes. The product code is combined with quality, grade, shape, thickness, width, and length. The English digital represent the quality, grade, and shape; the number is thickness, width, and length.

(1) Example- Flat Bars

*Product code: AB10*075*6000, AB means Flat Bar (Prime), 10 is thickness, 075 is width, and 6000 is length.*

(2) Example- Angle Bars

*Product code: L125*75*10*12000, L means Angle (Prime), 125 is width of first side, 75 is width of the other side, 10 is thickness, and 12,000 is length.*

Please refer to Exhibit C-3 for MCC Description.

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

Response:

When received inquiries from customers, we offered price and through the negotiation to finalise price. As soon as finished the production, we will arrange delivery with our own truck to customers, or customers arrange truck to our company to pick up the goods.

By the end of that month, we issued invoices to customers and received payment based on the terms which usually around [].

The domestic sales process please refer to Exhibit 10-Production, Sales and Accounting Flow Chart.

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.

Response:

Yes, TS Steel is the parent company of TS Steel Structure Steel, TS Steel Structure is the only and fully owned subsidiary of TS Steel which mainly provides the welding service to the domestic market. The selling price is based on the price [] and the reference from [].

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

Response:

TS Steel did not have the price list or price extras list. The quotation is case by case.

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.

Response:

TS Steel did not vary the selling price according to the distribution channel identified.

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 customer to obtain the discount and/or rebate.

Response:

Yes, TS Steel provided the [], please refer to Exhibit D-3 (2) Domestic Sales Sample 2 for the sample.

The amount of [] in every transaction.

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.

Response:

TS Steel only allow rebates or allowance when damages occur during transportation or products with quantity claims.

7. In establishing the date of sale, the Commission will normally use the date of invoice as it best reflects the material terms of sale. If you are making a claim that a different date should be taken as the date of sale:

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

Response:

The question is not applicable, since TS Steel report the date of sale of domestic sales is the date of invoice.

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.

Response:

TS Steel report invoice date as the date of sales. And TS Steel report direct selling expenses as following:

- 1) [].
- 2) [].

2. Complete worksheet “D-2.2 domestic sales source” listing the source of the data used for each column in worksheet “D-2 domestic sales”.

Response:

TS Steel reported the basic data of every transaction such as quality, shape, grade etc. by directly typing into D-2 since TS Steel did not usually record the data in the company system. The sales information is from the sales department. And the original documents of expenses are from accounting department. Please refer to Exhibit D-2.2.

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.

Response:

TS Steel provided two invoices, one is related party and the other is non-related party. The invoice number are CR62097026 and AW62097104. Please refer to Exhibit D-3 (1) Domestic Sales Sample 1 and Exhibit D-3 (2) Domestic Sales Sample 2.

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.

Response:

TS Steel prepare a work sheet to reconciling the details to D-2, please refer to “Exhibit D-2 (1) Direct Selling Expense Worksheet for Domestic Sales”.

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.

Response:

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TS Steel completed “B-4 Upwards sales” which can also refer to the Exhibit B-4 (1) for the total company sales revenue in the period and Exhibit 7-2 for the revenue in Income Statement.

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.

Response:

TS Steel completed “B-4 Upwards sales” which can also refer to the Exhibit B-4 (1) for the total company sales revenue in the period and Exhibit 7-2 for the revenue in Income Statement.

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; and
 - provide the account code and sub-account code (if applicable) at column E of the worksheet.

Response:

The question is not applicable since the data that provided by TS Steel are excel files.

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:

Response:

The question is not applicable; since TS Steel did not provide credit to any domestic customers when payment terms are not a cash or pre-payment basis.

- (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:
- Calculate the accounts receivable turnover for each domestic customer (credit sales divided by the average accounts receivable).
 - Calculate the average credit term for each domestic customer by dividing 365 by the accounts receivable turnover

Response:

The question is not applicable; since TS Steel did not provide rolling credit facility to domestic customers on specific payment terms agree at the time of sale.

- (b) Do you have short term borrowings or an overdraft facility? If yes, what is the interest rate, or average of interest rates?

Response:

TS Steel had short term borrowings, the interest rate is from [], and the average of interest rates is [].

- (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?

Response:

TS Steel did not have term deposits or other cash product, TS Steel had check deposits and demand deposits, the average interest rate of all company is [].

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:

Response:

The question is not applicable, TS Steel did not provide credit to any Australian customers, and all payments are using L/C.

- (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:
- Calculate the accounts receivable turnover for each Australian customer (credit sales divided by the average accounts receivable).
 - Calculate the average credit term for each Australian customer by dividing 365 by the accounts receivable turnover

Response:

The question is not applicable; since TS Steel did not provide rolling credit facility to Australian customers on specific payment terms agree at the time of sale.

- (b) If your Australian customers pay you into a foreign currency denominated account (question B-1.2(a) refers):

- 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?
- Do you have 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?

Response:

TS Steel had the USD borrowing, the ended balance was [] and the interest rate was []. But please note the borrowing is for purchase from foreign suppliers. TS Steel did not have USD term deposits or other cash product; but have USD deposits.

E-2 Packaging

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

Response:

The packing type and materials as following:

- 1) Diameter of wire rod: 5.5mm*
- 2) Lifting Loop fabricated from wire rod with 3 continuous rings and 2 tying knots at both ends.*
- 3) Lifting Loops dimensions: Diameter of loops 400mm*
- 4) Lifting Loops are suitable for lifting a minimum of 3000kg*

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

Response:

The packing type and materials are the same for domestic and export sales. Therefore, TS Steel did not claim the packing cost as the direct selling expenses.

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

Response:

The question is not applicable, TS Steel used same package for domestic and export sales.

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?

Response:

The transportation costs charged by actual weighing weight and allocated by proportion of net weight in the domestic sales.

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

Response:

The delivery terms of the export sales of the goods to Australian are [] and [].

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

Response:

Inland transport is calculated with [] per MT before tax based on the goods weigh according to the inland freight contract, please refer to "Exhibit B-3 (1) Australian Sample 1" for the inland freight contract. For port charges, the calculation in B-2 is allocated by net weight of the good, only the harbour duty of international freight is allocated by the gross weight .

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

Response:

The question is not applicable. Since the delivery terms of Australian are [] and [].

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?

Response:

The question is not applicable. Since the delivery terms of Australian are [] and [].

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?

Response:

B-2 did not included the delivery term of delivered duty paid.

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.

Response:

[]

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

Response:

Domestic sales need extra 5% VAT, and Export sales is zero VAT for all products.

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

Response:

The rate of VAT is 5%.

- How is VAT accounted for in your records in relation to sales of the goods and like goods?

Response:

The VAT accounted is record on “2115 Output VAT”, “1194 Input VAT”, “1195 Excess VAT Paid”, and “1196 Refundable Tax Amount”.

- Do you receive a VAT refund in relation to sales of the goods and/or like goods?

Response:

No, TS Steel did not 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?

Response:

No, TS Steel did not receive a remission or drawback of import duties on inputs consumed in the productions of the goods or like goods.

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

Response:

TS steel reported [] as direct selling expenses for domestic sales, and there are no other direct selling expenses to claim.

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

Response:

TS Steel reconciled the selling expenses in B-5.

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

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

Response:

TS Steel reported 5 direct selling expenses as below:

1. []

2. []

3. []

4. []

5. []

6. []

7. []

TS Steel also reconciled all the selling expenses in B-5.

E-5 Other adjustment claims

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

- An adjustment will only be made where there is evidence that the difference affects price comparability.
- Refer to Chapter 15 of the *Dumping and Subsidy Manual (November 2018)* for more information.

Response:

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TS Steel did not claim any other adjustments.

SECTION F THIRD COUNTRY SALES

F-1 Third country sales process

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

Response:

The export sales processes are same as Australian and third country sales. Please refer to Exhibit 10- Production, Sales and Accounting Flow Chart.

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.

Response:

T S Steel did not have any related customers related to the company in third countries.

3. In establishing the date of sale, the Commission will normally use the date of invoice as it best reflects the material terms 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?

Response:

T S Steel used the date of export declaration as date of sales for export sales.

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

Response:

Because the terms of export sales should be declared. And the accounting department recorded the sales date is same with the export declaration date, and the same time, accounting department will also issue the domestic invoices.

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.

Response:

TS Steel completed the third country sales listing, please refer to Exhibit F-2 Third Country Sales. Please noted that there is a total value of [] declared the goods by themselves.

2. Complete worksheet "F-2.2 third country sales source" listing the source of the data for each column in the worksheet "F-2 third country sales".

Response:

TS Steel reported the basic data of every transaction such as export declaration, commercial invoice and date by directly typing into F-2 since TS Steel did not usually record the data in the company system. The sales information is from the sales department. And the original documents of expenses are from accounting department. Please refer to Exhibit F-2.2.

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.

Response:

Yes, because there are some third countries customers applied [] term and it will affect the quotation of the good. And the volume of domestic sales is more than 5% of Australian Sales, that the domestic sales can compare with Australian sales.

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 provide product specification and standard. Specify all scrap or by-products that result from producing the goods.

Response:

The production process please refer to Exhibit G-1 Production Process.

The by-product is ferric oxide which produced on the process of reheating furnace.

TS Steel recorded the scrap sales on "4305 Scrap Revenue" and treated as the deducted items for cost of goods sold.

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.

Response:

There is no supplier related to TS Steel.

G-2. Cost accounting practices

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

Response:

TS Steel's cost accounting system based on actual costs.

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

Response:

The question is not applicable. TS Steel did not use standard costs.

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.

Response:

TS Steel did not have different cost centres in the company's cost accounting system.

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

Response:

Although our products are divided into flat bars, equal angle bars and unequal angle bars, etc. The production processes are the same. Therefore, our cost accounting system records production costs without any difference.

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

Response:

There are no costs for management accounting purposes valued differently to financial accounting purposes.

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.

Response:

TS Steel did not engage in any start-up operations in relation to the goods.

PUBLIC RECORD

7. What is the method of valuation for raw material, work-in-progress, and finished goods inventories (e.g. last in first out –LIFO, first in first out- FIFO, weighted average)?

Response:

TS Steel adopt weighted average method of valuation for raw material and finished goods inventories.

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

Response:

The cost of damaged, sub-standard, or down grade goods are the same with prime goods. At the ending of the year, TS Steel evaluated the allowance to reduce inventory to market, the amount was [].

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

Response:

We use market price as valuation method for scrap and by products (ferric oxide).

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

Response:

The question is not applicable, there are no management fees/corporate allocations charge to TS Steel by parent or related company.

G-3 Cost to make on domestic market

- 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.

Response:

TS Steel Complete the attachment, please refer to Exhibit G-3 Domestic CTM.

- Complete worksheet titled "G-3.2 domestic CTM source" listing the source of the data for each column of the worksheet "G-3 domestic CTM".

Response:

Please refer to G-3.2 domestic CTM source for the source of the data.

G-4 Selling, General & Administration expenses

- 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.

Response:

TS Steel completed the worksheet. Please note the directing selling expenses can tie to the transaction-by-transaction file, and indirect selling expenses are allocated by net sales value.

Please refer to Exhibit G-4.1 SG&A listing.

- 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.

Response:

TS Steel completed the worksheet, please refer to Exhibit G-4.2 Domestic SG&A Calculation.

G-5 Cost to make the goods exported to Australia

1. Complete the worksheet named "G-5 Australian CTM".
 - This worksheet lists the quarterly cost to make the Australian models of the goods under consideration by MCC manufactured within the period.
 - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold) for each MCC.
 - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture the goods, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as 'other costs' if not already included, for example, under material costs.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.
 - If you have claimed in B-1.8 that the date of sale is one other than the invoice date, then provide the cost for the quarters that all Australian sales are made within your claimed date of sale, even if doing so means that such cost data predates the commencement of the period.
2. Complete worksheet titled "G-5.2 Australian CTM source" listing the source of the data for each column of worksheet "G-5 Australian CTM".

Response:

Please refer to G-5.2 Australian CTM source for the source of the data.

G-6 Cost allocation method

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

Response:

Raw materials are allocated by weight average, labour and manufacturing overheads is allocated by working time.

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

Response:

*TS Steel selected the A6*50*6000 (the MCC is P-F-250) sold on domestic market for 2011 Q1 as sample. Please refer to Exhibit G-6 Cost Allocation Method-Domestic Model.*

G-7 Major raw material costs

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

Response:

The major raw materials used is Steel Billet.

And there are no other materials which TS Steel used.

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.

Response:

The question is not applicable. There are no raw materials sourced as part of an integrated production process or from a subsidiary company which our company exercise control.

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.

Response:

The weight average percentage of Steel Billet cost as a proportion of total cost to make during the Period:

Total Company usage:

Total cost of Steel Billet = [] (A)

Total cost to make = direct materials + direct labour + manufacture overhead

= [] + [] + []

= [] (B)

The proportion = (A) / (B) = [] %

For subjected merchandise for domestic sales:

Total cost of Steel Billet = [] (A)

Total cost to make = direct materials + direct labour + manufacture overhead

= [] + [] + []

= [] (B)

The proportion = (A) / (B) = [] %

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.

Response:

The raw material 100% is Steel Billet. Please refer to Exhibit G-7.4 Raw Material Purchases.

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

Response:

The raw material purchases listing please refer to Exhibit B-4 (1). The raw material purchases are recorded on “6212 Material Purchases (Raw Material)” and “6214 Material Purchases Allowances (Raw Material)”.

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

Response:

Please refer to “Exhibit G-7(1) Raw Material Purchases Sample 1” and “Exhibit G-7(2) Raw Material Purchases Sample 2”.

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

Response:

The raw material purchases can match the Period income statement. Please refer to Exhibit B-4 (1).

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.

Response:

TS Steel did not have any suppliers relate to the company.

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.

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- 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.

Response:

All amount in the sheet is NTD, please refer to Exhibit G-8 Upwards costs.

Please note the variances [] caused from three reasons,

1) Scrap revenue is deducted item to COGS the value = []

2) TS Steel purchased finished goods than sold, the cost = []

3) Valuation loss on raw materials = []

Total 1), 2) and 3) are the variances.

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.

Response:

Please refer to Exhibit B-4 (1) for IP income statement.

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; and
 - provide the account number and sub-account number (if applicable) at column E of the worksheet.

Response:

The question is not applicable since the data that provided by TS Steel are excel files.

G-9 Production of the goods under consideration

1. Describe your company’s practices for capturing the production quantities reported at worksheets “G-3 domestic CTM” and “G-5 Australian CTM”. Consider using a flowchart in answering this question.

Response:

TS Steel used “the record of billet into furnace” to capturing the production quantities. Please refer to the Exhibit G-6 Cost Allocation Method-Domestic Model. TS Steel provide one domestic sample. The working time is calculated initial from the first billet into the furnace; and ended of final billet out of the furnace. For example, the first billet starts at [], and the final billet out at []. The working time is [] minutes.

2. Outline the types of source documents kept by the company in relation to production quantities and how the production quantities are entered into the accounting system. Consider using a flowchart in answering this question.

Response:

Please refer to Exhibit G-9 (2) for Flowchart of the Company’s Cost Accounting System.

3. Briefly explain the reasons for any differences between:
- (a) the production quantities reported at worksheet “G-3 domestic CTM” and the sales volumes reported at worksheet “D-2 domestic sales”; and
 - (b) the production quantities reported at worksheet “G-5 Australian CTM” and the sales volumes reported at worksheet “D-2 domestic sales”.

Response:

There are two reasons:

First, the contract has tolerance.

Second, the specification different. For domestic market, the repeat purchase rate of the same specification is higher than foreign market. Therefore, production quantities are usually more than sales volumes. For, foreign market, some orders are usually special specification than domestic market. Therefore, the production quantities are usually equal to the sales volumes.

4. Do you have warehousing facilities for the goods exported to Australia or sold domestically? If no, what do you do with excess inventory? If yes, please outline:

- (a) the volume capacity of these facilities;
- (b) the monthly amount of inventory maintained during the period; and
- (c) the average period of time that inventory is retained, and how this is calculated.

Response:

- (a) TS Steel has warehouse. The max volume capacity of warehouse is []MT.
- (b) The monthly amount of inventory maintained during the period is about []MT.
- (c) The average period of time that inventory is maintained for 2020 and the Period:

Inventory turnover rate = COGS / average inventory

Days of sales inventory = [] days / Inventory turnover rate

For 2020:

Inventory Turnover Rate = [] / ([] + []) / [] = [] times

Days of sales inventory = [] / [] = [] days

For the Period:

Inventory Turnover Rate = [] / ([] + []) / [] = [] times

Days of sales inventory = [] / [] = [] days

G-10 Capacity Utilisation

1. Please complete the worksheet named "G-10 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.

Response:

Please refer to G-10 Capacity Utilisation.

Please note, TS Steel only had one product line which can produce subjected or non-subjected merchandises. It was dependent on customer order.

2. Explain how the production capacity and capacity utilisation has been calculated.

Response:

(1) The production capacity:

Working day: [] days yearly

Daily Capacity: [] Mt for max size products

*Production capacity = [] * [] = [] Mt*

(2) Capacity utilisation = Actual produce volume / production capacity

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 :.....

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 carriage paid to
CIP	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.

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DDP payable upon exportation, and where necessary for transit through another country)
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;

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- . 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.