



Exporter Questionnaire

Product: White uncoated A4 and A3 cut sheet paper (copy paper)

From: The People's Republic of China

Period of Investigation: 1 July 2012 to 30 June 2013

Response due by: 20 November 2013

Extended to 9 December 2013

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Return completed questionnaire to: Anti-Dumping Commission
Customs House
5 Constitution Avenue
Canberra ACT 2601
Attention: Director Operations 2

GOODS UNDER CONSIDERATION

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

Uncoated white paper of a type used for writing, printing or other graphic purposes, in the nominal basis weight range of 70 to 100 gsm and cut to sheets of metric sizes A4 (210mm x 297mm) and A3 (297mm x 420mm) (also commonly referred to as cut sheet paper, copy paper, office paper or laser paper).

The paper is not coated, watermarked or embossed and is subjectively white. It is made mainly from bleached chemical pulp and/or from pulp obtained by a mechanical or chemi-mechanical process and/or from recycled pulp.

For the purposes of this questionnaire, the term 'copy paper' will be used when referring to the goods.

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**SECTION A
COMPANY STRUCTURE AND OPERATIONS**

This section requests information relating to company details and financial reports.

There are some specific features of this case that need to be noted from the outset. We introduce this Exporter Questionnaire (“EQ”) response with a brief orientation of the production and sales flows of the goods, and of the companies that are involved.

[CONFIDENTIAL TEXT DELETED – details relating to the corporate arrangements of the exporter and the exported goods]

A-1 Identity and communication

Please nominate a person within your company who can be contacted for the purposes of this investigation:

Head Office: APRIL Fine Paper Trading Pte Ltd

Name:	Audrey Ng
Position:	Business Controller
Address:	80 Raffles Place #50-01 UOB Plaza 1 Singapore 048624
Telephone:	+65 6216 9318
Facsimile number:	+65 6538 0020
Email address	audrey_ng@aprilasia.com

Macau office: Greenpoint Global Trading (Macao Commercial Offshore) Ltd

Name:	Celina Hong
Position:	Director in AP/Finance Manager in GP
Address:	Avenida Dr. Mario Soares, s/n Edificio Finance and IT Center of Macau 10 andar A1 Macau
Telephone:	+853 8296 1323
Facsimile number:	+853 2871 5018
Email address	celina_hong@aprilasia.com

Chinese factory: Asia Symbol (Guangdong) Paper Co., Ltd

Name:	Andrew Lee
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Position:	Senior Financial Controller
Address:	No 1 Ruifeng Industry Zone Shalu, Shuangshui Xinhui Jiangmen City Guangdong Province China 529153
Telephone:	+86 750 650 3150
Facsimile number:	+86 750 650 3166
Email address	andrew_lee@asiasymbol.com

A-2 Representative of the company for the purpose of investigation

If you wish to appoint a representative to assist you in this investigation, provide the following details:

Name	Daniel Moulis Principal Moulis Legal	Charles Zhan Solicitor Moulis Legal
Address	6/2 Brindabella Circuit Brindabella Business Park Canberra International Airport Australian Capital Territory Australia 2609	
Telephone	+61 2 6163 1000	
Facsimile number	+61 2 6162 0606	
E-mail address	daniel.moulis@moulislegal.com charles.zhan@moulislegal.com	
All communications in relation to this matter should be directed to Moulis Legal in the first instance.		

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

A-3 Company information

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

The legal name of the exporter of the goods is APRIL Fine Paper Trading Pte Ltd (“APRIL Singapore”), a company registered in Singapore.
The goods were manufactured by APRIL Singapore’s related company Asia Symbol (Guangdong) Co., Limited (hereinafter “APRIL China”, formerly known

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as “APRIL Fine Paper (Guangdong) Co., Ltd”) at its factory in Xinhui, China.
The manufacturing of the goods by APRIL China for export by APRIL Singapore during the period of investigation (“POI”) was facilitated through APRIL group companies in Macau, [CONFIDENTIAL TEXT DELETED – details relating to the corporate arrangements of the exporter “APRIL Macao”]
[CONFIDENTIAL TEXT DELETED – internal commercial arrangement relating to the Australian sales]
For the purpose of this EQ response, individual companies will be referred where it is necessary. Otherwise, references to “APRIL” are to be taken as references to any of the companies operating as part of the APRIL group.

2. Who are the owners and/or principal shareholders? Provide details of shareholding percentages for joint owners and/or principal shareholders. (List all shareholders able to cast, or control the casting of, 5% or more of the maximum amount of votes that could be cast at a general meeting of your company).

For details of the principal shareholders please refer to Attachment 1 [CONFIDENTIAL ATTACHMENT].

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

Each of the APRIL companies is a subsidiary of another company in the APRIL Group. Please refer to Attachment 2 – APRIL Group corporate chart [CONFIDENTIAL ATTACHMENT] for details. [CONFIDENTIAL TEXT DELETED – shareholding details]

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

Please refer to Attachment 2 – APRIL Group corporate chart. [CONFIDENTIAL ATTACHMENT]

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

Please refer to Attachment 2 – APRIL Group corporate chart. [CONFIDENTIAL ATTACHMENT]

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

Yes

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

The nature of APRIL Singapore’s business is the marketing and sale of paper products.
The nature of APRIL Macau’s business is to [CONFIDENTIAL TEXT DELETED – details relating to the corporate arrangements of the exporter].
APRIL China [CONFIDENTIAL TEXT DELETED – details relating to the corporate

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arrangements of the exporter] is also a full manufacturer and seller of paper products in the domestic market in its own right.

8. If your business does not perform all of the following functions in relation to the goods under consideration, then please provide names and addresses of the companies which perform each function:

- produce or manufacture
- sell in the domestic market
- export to Australia, and
- export to countries other than Australia.

APRIL Singapore's main function is export the GUC to both Australia as well as other countries

APRIL Macao facilitates APRIL Singapore's export of the goods [CONFIDENTIAL TEXT DELETED – details relating to the corporate arrangements of the exporter].

APRIL China performs the following functions in relation to the GUC [CONFIDENTIAL TEXT DELETED – details relating to the corporate arrangements of the exporter].

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

Please see organisation chart for each of the APRIL companies at Attachment 3 – APRIL internal organisation. [CONFIDENTIAL ATTACHMENT]

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

Please refer to APRIL's business and product brochure at Attachment 4 [CONFIDENTIAL ATTACHMENT].

A-4 General accounting/administration information

1. Indicate your accounting period.

The APRIL companies use calendar year as accounting period.

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

The financial record for each of the APRIL companies is kept at the same company/factory address as indicated at A-1 above respectively.

3. Please provide the following financial documents for the two most recently completed financial years plus all subsequent monthly, quarterly or half yearly statements:

- chart of accounts;
- audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);
- internal financial statements, income statements (profit and loss reports),

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or management accounts, that are prepared and maintained in the normal course of business for the goods under consideration.

These documents should relate to:

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

Please see the chart of accounts for each of the APRIL companies at Attachment 5 [CONFIDENTIAL ATTACHMENT].

Please see audited financial statements for each of the APRIL companies at Attachments 6, 7 and 8 [CONFIDENTIAL ATTACHMENTS]

For the financial statements of January to June 2013, please see Attachment 9 [CONFIDENTIAL ATTACHMENT].

4. If you are not required to have the accounts audited, provide the unaudited financial statements for the two most recently completed financial years, together with your taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

The APRIL companies are required to have accounts audited.

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

Not applicable, the accounting practices of each of the APRIL companies are in accordance with the generally accepted accounting principles in its residing country.

6. Describe:

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

- the method of valuation for raw material, work-in-process, and finished goods inventories (eg last in first out –LIFO, first in first out- FIFO, weighted average);

APRIL adopts the monthly weighted average valuation method.

Raw materials are stated at cost when acquired. Finished goods are stated at lower of cost and net realizable value.

Cost is based on the weighted-average cost method. The cost of finished goods and work in progress comprise raw materials, direct labour and systematically allocated production overhead based on the normal production capacity.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

- costing methods, including the method (eg by tonnes, units, revenue, direct costs etc) of allocating costs shared with other goods or processes (such as front office cost, infrastructure cost etc);

In relation to APRIL Singapore, the cost of sales includes cost of finished goods purchased from the affiliated company. Measurement of cost is based on

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standard cost method. Standard costs take into account normal levels of materials and supplies, labour, efficiency and capacity utilisation. They are regularly reviewed and, if necessary, revised in the light of current conditions. Cost includes expenditures incurred in acquiring the inventories and bringing them to their present condition and location. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

In relation to APRIL Macao, cost of sales includes [CONFIDENTIAL TEXT DELETED – details of costing method and commercial arrangement]. Cost includes expenditures incurred in acquiring the inventories and bringing them to their present condition and location. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale

For the costing method of APRIL China, please see above.

- valuation methods for damaged or sub-standard goods generated at the various stages of production;

Damaged or substandard goods are valued at market value.

- valuation methods for scrap, by products, or joint products;

Scrap is valued at market price. There are no by products or joint products.

- valuation and revaluation methods for fixed assets;

Fixed asset valuation is based on historical cost convention. Depreciation is based on straight-line method.

- average useful life for each class of production equipment and depreciation method and rate used for each;

For APRIL Singapore:

Assets	Useful Life
Plant and equipment	[CONFIDENTIAL TEXT DELETED]

For APRIL China:

Assets	Useful Life
Building and site facilities:	[CONFIDENTIAL TEXT DELETED]
Plant and machinery	
Transport equipment and motor vehicles	
Computer hardware	
Others	

For APRIL Macao:

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Assets	Useful life
Office equipment	[CONFIDENTIAL TEXT DELETED]
Furniture and fittings	
Computer equipment	

- treatment of foreign exchange gains and losses arising from transactions;

Exchange gains and losses resulting from transactions are included in the profit and loss for the year.

- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;

Exchange gains and losses resulting from foreign currency translation of year end monetary asset and liability balances are included in the profit and loss for the year.

- inclusion of general expenses and/or interest;

All general and administrative expenses or interest are written off in the profit and loss accounts on an accrual basis. General and administrative expenses are not capitalized as part of inventory or fixed asset valuation. Borrowing costs (e.g. interest expense) directly attributable to the acquisition, construction or production of qualifying assets, which are assets that take a substantial period of time to be ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

- provisions for bad or doubtful debts;

Provisions are not made. Once a legal demand letter is sent out and is determined not recoverable, the full bad debt will be written off.

- expenses for idle equipment and/or plant shut-downs;

Not applicable, in that APRIL did not experience idle equipment and/or plant shut-downs during the POI.

- costs of plant closure;

Not applicable, in that APRIL did not experience plant closure during the POI.

- restructuring costs;

Not applicable, in that there were no restructuring costs for APRIL during the period.

- by-products and scrap materials resulting from your company's production process; and

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Scrap is valued at “market price”. There are no by products resulting from APRIL’s production process.

- effects of inflation on financial statement information.

Not applicable, in that the APRIL companies concerned did not have to account for effects of inflation during the POI.

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

Not applicable, in that there has been no such change.

A-5 Income statement

Please fill in the following table. It requires information concerning all products produced and for the goods under consideration (*‘goods under consideration’* (the goods) is defined in the Glossary of Terms in the appendix to this form). You should explain how costs have been allocated.

	Most recent completed financial year (specify)		Investigation period (1 July 2012 - 30 June 2013)	
	All products	Goods Under Consideration	All products	Goods Under Consideration
Gross Sales (1)				
Sales returns, rebates and discounts (2)				
Net Sales (3=1-2)				
Raw materials (4)				
Direct Labour (5)				
Depreciation (6)				
Manufacturing overheads (7)				
Other operating expenses (8)				
Total cost to make (9=4+5+6+7+8)				
OPERATING INCOME (10=3-9)				
Selling expenses (11)				
Administrative & general expenses (12)				
Financial expenses (13)				
SG&A expenses (14) = (11+12+13)				

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INCOME FROM NORMAL ACTIVITIES (15)=(10-14)				
Interest income (16)				
Interest expense (enter as negative) (17)				
Extraordinary gains and Losses – enter losses as negative (18)				
Abnormal gains and losses – enter losses as negative (19)				
PROFIT BEFORE TAX (20)=(15+16+17+18+19)				
Tax (21)				
NET PROFIT (22)=(20-21)				

Note: if your financial information does not permit you to present information in accordance with this table please present the information in a form that closely matches the table.

Prepare this information on a spreadsheet named "**Income statement**".

This information will be used to verify the completeness of cost data that you provide in Section G. If, because of your company's structure, the allocations would not be helpful in this process, please explain why this is the case.

Please see Attachment 10 Income Statement [CONFIDENTIAL ATTACHMENT]

Please note that the information under “all products” for the most recent financial year was affected by capitalisation [CONFIDENTIAL TEXT DELETED – details of start-up operation]

The actual information for the sales of GUC in 2012 [CONFIDENTIAL TEXT DELETED – details of start-up operation] is reported.

APRIL China also reported the actual sales data (non-capitalised) under the two columns relating to sales during the POI.

A-6 Sales

State your company's net turnover (after returns and all discounts), and free of duties and taxes. Use the currency in which your accounts are kept, in the following format:

	Most recent completed financial year (specify)		Investigation period	
	Volume	Value	Volume	Value
Total company turnover (all products)				
Domestic market				
Exports to Australia				
Exports to Other Countries				

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Turnover of the nearest business unit, for which financial statements are prepared, which includes the goods under consideration				
Domestic market				
Exports to Australia				
Exports to Other Countries				
Turnover of the goods under consideration				
Domestic market				
Exports to Australia				
Exports to Other Countries				

Prepare this information in a spreadsheet named "TURNOVER".

This information will be used to verify the cost allocations to the goods under consideration in Section G.

Also, you should be prepared to demonstrate that sales data shown for the goods is a complete record by linking total sales of these goods to relevant financial statements.

**Please see Attachment 11 – Turnover [CONFIDENTIAL ATTACHMENT]
[CONFIDENTIAL TEXT DELETED – details of start-up operation].**

SECTION B SALES TO AUSTRALIA (EXPORT PRICE)

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

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

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

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

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

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

- name;
- address;
- contact name and phone/fax number where known; and
- trade level (for example: distributor, wholesaler, retailer, end user, original equipment).

APRIL exported the GUC to [CONFIDENTIAL TEXT DELETED – Australian customers]

B-2 For each customer identified in B1 please provide the following information.

- (a) Describe how the goods are sent to each customer in Australia, including a diagram if required.

The sales process starts with contact and negotiation [CONFIDENTIAL TEXT DELETED – details of pricing and negotiation practice]

Once the price is agreed and the purchase order is received [CONFIDENTIAL TEXT DELETED – details of sales process] regarding the specification of the product, and confirm with the customer regarding availability, estimated delivery and arrival and other details of the sales order. [CONFIDENTIAL TEXT DELETED – details of sales process]

Once production is finished, [CONFIDENTIAL TEXT DELETED – details of sales process] to the Australian customer, and issues an invoice to Australian customer.

Please see Attachment 12 – APRIL Australian sales flow chart [CONFIDENTIAL

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ATTACHMENT].

- (b) Identify each party in the distribution chain (including agents) and describe the functions performed by them. Where commissions are paid indicate whether it is a pre or post exportation expense having regard to the date of sale. Where commissions are not paid, describe how the costs of the party are covered.

[CONFIDENTIAL TEXT DELETED – details of APRIL’s internal commercial arrangements].

- (c) Explain who retains ownership of the goods at each stage of the distribution chain. In the case of DDP sales, explain who retains ownership when the goods enter Australia.

The sales term for the Australian sales [CONFIDENTIAL TEXT DELETED – sales terms].

From a technical perspective, [CONFIDENTIAL TEXT DELETED – details of APRIL internal commercial arrangements].

- (d) Describe any agency or distributor agreements or other contracts entered into in relation to the Australian market (supply copy of the agreement if possible).

Apart from the sales agreement between APRIL Singapore and the Australian customer, the only other contracts entered into relation to the such sales are [CONFIDENTIAL TEXT DELETED – details of contractual arrangements relating to Australian sales]

- (e) Explain in detail the process by which you negotiate price, receive orders, deliver, invoice and receive payment. If export prices are based on price lists supply copies of those lists.

Please refer to B-2(a) above. Export prices are determined by negotiation with the Australian customers.

In relation [CONFIDENTIAL TEXT DELETED – details of contractual arrangements relating to Australian sales]

- (f) State whether your firm is related to any of its Australian customers. Give details of any financial or other arrangements (eg free goods, rebates, or promotional subsidies) with the customers in Australia (including parties representing either your firm or the customers).

APRIL is not related to Australian customers.

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

Please see Attachment 13 – forward orders [CONFIDENTIAL ATTACHMENT]

- B-3** Do your export selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are

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characterised by consistent and distinct differences in functions and prices.

APRIL [CONFIDENTIAL TEXT DELETED – details relating to distribution channel] for the Australian sales of the goods during the POI.

- B-4** Prepare a spreadsheet named “Australian sales” listing all shipments (i.e. transaction by transaction) to Australia of the goods under consideration in the investigation period. You must provide this list in electronic format. Include the following export related information:

Column heading	Explanation
Customer name	names of your customers
Level of trade	the level of trade of your customers in Australia
Model/grade/type	commercial model/grade or type
Product code	code used in your records for the model/grade/type identified. Explain the product codes in your submission.
Invoice number	invoice number
Invoice date	invoice date
Date of sale	refer to the explanation at the beginning of this section. If you consider that a date <i>other than</i> the invoice date best establishes the material terms of sale, report that date. For example, order confirmation, contract, or purchase order date.
Order number	if applicable, show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Shipping terms	delivery terms eg. CIF, C&F, FOB, DDP (in accordance with Incoterms)
Payment terms	agreed payment terms eg. 60 days=60 etc
Quantity	quantity in units shown on the invoice. Show basis eg kg.
Gross invoice value	gross invoice value shown on invoice <i>in the currency of sale, excluding taxes.</i>
Discounts on the invoice	if applicable, the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide a description.
Invoice currency	the currency used on the invoice
Exchange rate	indicate the exchange rate used to convert the currency of the

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	sale to the currency used in your accounting system
Net invoice value in the currency of the exporting country	the net invoice value expressed in your domestic currency as it is entered in your accounting system
Rebates or other allowances	the amount of any deferred rebates or allowances paid to the importer in the currency of sale
Quantity discounts	the actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.
Ocean freight**	the actual amount of ocean freight incurred on each export shipment listed.
Marine insurance	amount of marine insurance
FOB export price**	the free on board price at the port of shipment.
Packing*	packing expenses
Inland transportation costs*	inland transportation costs included in the selling price. For export sales this is the inland freight from factory to port in the country of export.
Handling, loading & ancillary expenses*	handling, loading & ancillary expenses. For example, terminal handling, export inspection, wharfage & other port charges, container tax, document fees & customs brokers fees, clearance fees, bank charges, letter of credit fees, & other ancillary charges incurred in the exporting country.
Warranty & guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services, such as technical assistance or installation costs.
Commissions*	commissions paid. If more than one type is paid insert additional columns of data. Indicate in your response to question B2 whether the commission is a pre or post exportation expense having regard to the date of sale.
Other factors*	any other costs, charges or expenses incurred in relation to the exports to Australia (include additional columns as required). See question B5.

** FOB export price and Ocean Freight:

FOB export price: An FOB export price must be calculated for each shipment - regardless of the shipping terms. FOB price includes inland transportation to the port of exportation, inland insurance, handling, and loading charges. It excludes post exportation expenses such as ocean freight and insurance. Use a formula to show the method of the calculation on each line of the export sales spreadsheet.

Ocean freight: as ocean freight is a significant cost it is important that the actual amount of ocean freight incurred on each exportation be reported. If estimates must be made you must explain the reasons and set out the basis - estimates must reflect changes in freight rates over the investigation period.

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Freight allocations must be checked for consistency.

* All of these costs are further explained in section E-1.

Please see Attachment 14 – Australian Sales spreadsheet [CONFIDENTIAL ATTACHMENT]

B-5 If there are any other costs, charges or expenses incurred in respect of the exports listed above which have not been identified in the table above, add a column (see “other factors” in question B-4) for each item, and provide a description of each item. For example, other selling expenses (direct or indirect) incurred in relation to the export sales to Australia.

APRIL reports the credit expenses relating to the Australian sales at column “AF” of the Australian sales spread sheet.

B-6 For each type of discount, rebate, allowance offered on export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met by the importer to obtain the discount.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amount shown in your response to question B4. If they vary by customer or level provide an explanation.

[CONFIDENTIAL TEXT DELETED – details of discounts, rebates and allowances]

B-7 If you have issued credit notes (directly or indirectly) to the customers in Australia, in relation to the invoices listed in the detailed transaction by transaction listing in response to question B4, provide details of each credit note if the credited amount has not been reported as a discount or rebate.

[CONFIDENTIAL TEXT DELETED – details of credit notes]

B-8 If the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (eg. delivered duty paid), insert additional columns in the spreadsheet for all other costs incurred. For example:

Import duties	Amount of import duty paid in Australia
Inland transport	Amount of inland transportation expenses within Australia included in the selling price
Other costs	Customs brokers, port and other costs incurred (itemise)

[CONFIDENTIAL TEXT DELETED – details of sales terms]

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B-9 Select two shipments, in different quarters of the investigation period, and provide a complete set of all of the documentation related to the export sale. For example:

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

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

Please see two sets of sample sales documents at Attachments 15 and 16 [CONFIDENTIAL ATTACHMENT].

SECTION C EXPORTED GOODS & LIKE GOODS

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

The names and specifications of the GUC that APRIL sold to Australia during the POI were as follows:
 [CONFIDENTIAL TEXT DELETED – details of goods exported to Australia]
 Further, please see Attachment 17 – APRIL product code description [CONFIDENTIAL ATTACHMENT] for further details about the specification of the GUC.

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

Please see response above at C-1.
 As referred to in Attachment 17 [CONFIDENTIAL ATTACHMENT], APRIL identified product codes which relate to the physical characteristics of the goods and then used these codes to create “product control numbers” in order to identify the goods according to their different physical characteristics.
 The GUC exported to Australian sales during the POI [CONFIDENTIAL TEXT DELETED – details of goods exported to Australia].

C-3 If you sell like goods on the domestic market, for each type that your company has exported to Australia during the investigation period:

- list the most comparable model(s) sold domestically; and
- provide a detailed explanation of the differences where those goods sold domestically (ie. the like goods – see explanation in glossary) are not identical to goods exported to Australia.

EXPORTED TYPE	DOMESTIC TYPE	IDENTICAL?	DIFFERENCES
Product code of each model of the goods exported to Australia	Product code of comparable model sold on the domestic market of the country of export	If goods are identical indicate “YES”. Otherwise “NO”	Where the good exported to Australia is not identical to the like goods, describe the specification differences. If it is impractical to detail specification differences in this table refer to documents which

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			outline differences
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Supply this information in spreadsheet file named "Like Goods"

Please see Attachment 18 – Like Goods spreadsheet [CONFIDENTIAL ATTACHMENT].

C-4 Please provide any technical and illustrative material that may be helpful in identifying or classifying the goods that your company sells on the domestic market.

Please refer to Attachment 4 and Attachment 17 [CONFIDENTIAL ATTACHMENTS].

SECTION D DOMESTIC SALES

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

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

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

*If, in response to question B4 (Sales to Australia, Export Price), you have reported that the date of sale is not the invoice date and you consider that this alternative date should be used when comparing domestic and export prices – you **must** provide information on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the investigation period.*

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

D-1 Provide:

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

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

APRIL China sold the GUC to [CONFIDENTIAL TEXT DELETED – details of domestic market customers] customers in China during the POI. The customers can be broadly classified according to the type of business as distributors, stationers, printers and retailers.

Domestic sales are made through APRIL China's four regional sales offices at Guangzhou, Wuhan, Suzhou and Beijing, each handling the sales areas of South China, Central China, East China and North China respectively.

APRIL China entered into [CONFIDENTIAL TEXT DELETED – details of agreements entered into between APRIL China and domestic customers].

Please refer to Attachments 22 and 23 - Sample domestic sales documents [CONFIDENTIAL ATTACHMENTS] - for a copy of an example agreement.

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D-2 Do your domestic selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

In general, the price of the goods is determined by market conditions and negotiations [CONFIDENTIAL TEXT DELETED – details of pricing and sales practices]

D-3 Explain in detail the sales process, including:

- the way in which you set the price, receive orders, make delivery, invoice and finally receive payment; and the terms of the sales; and
- whether price includes the cost of delivery to customer.

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

Please see response to D-1 above for a description of the sales process in the domestic market.

The prices are negotiated between the customer and APRIL China’s salespersons at the factory as well as the regional sales offices according to the market condition. [CONFIDENTIAL TEXT DELETED – details of APRIL China’s pricing practices].

[CONFIDENTIAL TEXT DELETED – sales terms]

Please see Attachment 19 [CONFIDENTIAL ATTACHMENT] for detailed sales flow chart relating to APRIL China’s domestic sales.

D-4 Prepare a spreadsheet named “**domestic sales**” listing **all** sales of like goods made during the investigation period. The listing must be provided on a CD-ROM. Include all of the following information.

Column heading	Explanation
Customer name	names of your customers. If an English version of the name is not easily produced from your automated systems show a customer code number and in a separate table list each code and name.
Level of trade	the level of trade of your domestic customer
Model/grade/type	commercial model/grade or type of the goods
Product code	code used in your records for the model/grade/type of the goods identified. Explain the product codes in your submission.
Invoice number	invoice number
Invoice date	invoice date
Date of sale	refer to the explanation at the beginning of this section. If you consider that a date <i>other than</i> the invoice date best establishes the material terms of sale and should be used, report that date. For example, order confirmation, contract, or

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	purchase order date.
Order number	show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Delivery terms	eg ex factory, free on truck, delivered into store
Payment terms	payment terms agreed with the customer eg. 60 days=60 etc
Quantity	quantity in units shown on the invoice eg kg.
Gross Invoice value	gross value shown on invoice <i>in the currency of sale</i> , net of taxes.
Discounts on the Invoice	the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide description.
Net invoice value in the currency of the exporting country	the net invoice value expressed in your domestic currency as recorded in your accounting system
Rebates or other Allowances	the actual amount of any deferred rebates or allowances in the currency of sale
Quantity discounts	the actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.
Packing*	packing expenses
Inland transportation Costs*	amount of inland transportation costs included in the selling price.
Handling, loading and ancillary expenses*	handling, loading & ancillary expenses.
Warranty & Guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services such as technical assistance or installation costs.
Commissions*	commissions paid. If more than one type is paid insert additional columns of data.
Other factors*	any other costs, charges or expenses incurred in relation to the domestic sales (include additional columns as required). See question D5.

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Costs marked with * are explained in section E-2.

Please see Attachment 20 – Domestic Sales spreadsheet [CONFIDENTIAL ATTACHMENT]

D-5 If there are any other costs, charges or expenses incurred in respect of the sales listed which have not been identified in the table in question D-4 above add a column for each item (see “other factors”). For example, certain other selling expenses incurred.

APRIL calculated the average warehouse expenses incurred for domestic sales only using total warehouse expenses and the quantity of sales made through the warehouses. The warehouse expenses are reported at column “U” of the Domestic Sales spreadsheet.

APRIL also calculated the credit expenses incurred in relation to the domestic sales at column “Y” of the Domestic Sales spreadsheet.

For other costs which were only incurred in respect of domestic sales by APRIL China, such as [CONFIDENTIAL TEXT DELETED – details of domestic selling expenses], please see discussion at Section E below.

D-6 For each type of commission, discount, rebate, allowance offered on domestic sales of like goods:

- provide a description; and
- explain the terms and conditions that must be met by the customer to qualify for payment.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amounts shown in your response to question D4.

If you have issued credit notes, directly or indirectly to the customers, provide details if the credited amount has **not** been reported as a discount or rebate.

[CONFIDENTIAL TEXT DELETED – details of pricing policies]

Please see Attachment 21 – rebate and discount calculation [CONFIDENTIAL ATTACHMENT] - for further details.

[CONFIDENTIAL TEXT DELETED – details of pricing policies] other promotional arrangements relating to its domestic sales of the GUC during the POI. Please see Section E below for further details.

D-7 Select two domestic sales, in different quarters of the investigation period, that are at the same level of trade as the export sales. Provide a complete set of documentation for those two sales. (Include, for example, purchase order, order acceptance, commercial invoice, discounts or rebates applicable, credit/debit notes, long or short term contract of sale, inland freight contract, bank documentation showing proof of payment.)

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

Please see Attachments 22 and 23 [CONFIDENTIAL ATTACHMENT] for two sets of domestic sales documentation.

SECTION E FAIR COMPARISON

Section B sought information about the export prices to Australia and Section D sought information about prices on your domestic market for like goods (ie. the normal value).

Where the normal value and the export price are not comparable adjustments may be made. This section informs you of the fair comparison principle and asks you to quantify the amount of any adjustment.

As prices are being compared, the purpose of the adjustments is to eliminate factors that have unequally modified the prices to be compared.

To be able to quantify the level of any adjustment it will usually be necessary to examine cost differences between sales in different markets. The Commission must be satisfied that those costs are likely to have influenced price. In practice, this means that the expense item for which an adjustment is claimed should have a close nexus to the sale. For example, the cost is incurred because of the sale, or because the cost is related to the sale terms and conditions.

Conversely, where there is not a direct relationship between the expense item and the sale a greater burden is placed upon the claimant to demonstrate that prices have been affected, or are likely to have been affected, by the expense item. In the absence of such evidence the Commission may disallow the adjustment.

Where possible, the adjustment should be based upon actual costs incurred when making the relevant sales. However, if such specific expense information is unavailable cost allocations may be considered. In this case, the party making the adjustment claim must demonstrate that the allocation method reasonably estimates costs incurred.

A party seeking an adjustment has the obligation to substantiate the claim by relevant evidence that would allow a full analysis of the circumstances, and the accounting data, relating to the claim.

The investigation must be completed within strict time limits therefore you must supply information concerning claims for adjustments in a timely manner. Where an exporter has knowledge of the material substantiating an adjustment claim that material is to be available at the time of the verification visit. The Commission will not consider new claims made after the verification visit.

E-1 Costs associated with export sales

(These cost adjustments will relate to your responses made at question B-4, 'Australian sales')

1. Transportation

Explain how you have quantified the amount of inland transportation associated with the export sale ("**Inland transportation costs**"). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

Inland freight related to the transport of the goods from APRIL China's factory to the port designated by APRIL for export [CONFIDENTIAL TEXT DELETED – details of commercial arrangements] to unrelated inland freight forwarders. Such costs are separately recorded in APRIL China's accounts, and have been allocated to the Australian sales by volume.

Please see Attachment 24 – Freight and handling costs allocation for further details [CONFIDENTIAL ATTACHMENT].

2. Handling, loading and ancillary expenses

List all charges that are included in the export price and explain how they have been quantified (“**Handling, loading & ancillary expenses**”). Identify the general ledger account where the expenses are located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

The various export related ancillary costs are identified in the table at question B4, for example:

- terminal handling;
- wharfage and other port charges;
- container taxes;
- document fees and customs brokers fees;
- clearance fees;
- bank charges, letter of credit fees
- other ancillary charges.

Please see response above relating to inland freight. Please refer to Attachment 24 [CONFIDENTIAL ATTACHMENT]– Freight and handling costs allocation for further details

3. Credit

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

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, *and if* export prices are influenced by this longer or shorter period, calculate the average number of collection days. See also item 4 in section E-2 below.

The credit expenses related to the Australian sales are reported at column “AF” of the Australian sales spreadsheet. Credit expenses were calculated according to the invoice date and actual payment date, based on the short term interest rate.

4. Packing costs

List material and labour costs associated with packing the export product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed

'Packing'.

The packing method varies for each sales order rather than being distinguished according to whether the products were for export or domestic sales. Generally goods packed for export involve the use of pallets whereas domestic sales use a mixed packing method. The types of packing are classified as follows:

Classification	Code	Description
[CONFIDENTIAL TEXT DELETED]		

APRIL calculated the unit packing cost based on the packing type and the actual costs incurred.

Please see Attachment 25 – packing cost calculation [CONFIDENTIAL ATTACHMENT] for further details.

5. Commissions

For any commissions paid in relation to the export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing in question B-4 under the column headed “**Commissions**”. Identify the general ledger account where the expense is located.

[CONFIDENTIAL TEXT DELETED – details of commissions in relation to export sales to Australia]

6. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses (“**Warranty & guarantee expenses**” and “**Technical assistance & other services**”), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

[CONFIDENTIAL TEXT DELETED – details of warranties, guarantees and after sales service]

7. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed “**Other factors**”. For example, other variable or fixed selling expenses, including salesmen’s salaries, salesmen’s travel expenses, advertising and promotion, samples and entertainment expenses. Your consideration of questions asked at Section G, concerning domestic and export costs, would have alerted you to such other factors.

Please see above at E-1.3 relating to credit expenses.

APRIL notes that as its exports from China [CONFIDENTIAL TEXT DELETED –

details of start-up operation and exports to Australia]

[CONFIDENTIAL TEXT DELETED – details relating to domestic selling expenses]

8. Currency conversions

In comparing export and domestic prices a currency conversion is required. Fluctuations in exchange rates can only be taken into account when there has been a ‘sustained’ movement during the period of investigation (see article 2.4.1 of the WTO Agreement). The purpose is to allow exporters 60 days to adjust export prices to reflect ‘sustained’ movements. Such a claim requires detailed information on exchange movements in your country over a long period that includes the investigation period.

Not applicable

E-2 Costs associated with domestic sales

(These cost adjustments will relate to your responses made at question D-4, “domestic sales”)

The following items are not separately identified in the amounts quantified at question D-4. However you should consider whether any are applicable.

1. Physical characteristics

The adjustment recognises that differences such as quality, chemical composition, structure or design, mean that goods are not identical and the differences can be quantified in order to ensure fair comparison.

The amount of the adjustment shall be based upon the market value of the difference, but where this is not possible the adjustment shall be based upon the difference in cost plus the gross profit mark-up (i.e. an amount for selling general and administrative costs (S G & A) plus profit).

The adjustment is based upon actual physical differences in the goods being compared and upon the manufacturing cost data. Identify the physical differences between each model. State the source of your data.

As presented in response to question C-3 above, APRIL has provided a comparable matching table to correlate between models exported by APRIL Singapore and the models sold by APRIL China in the domestic market – see Attachment 18 [CONFIDENTIAL ATTACHMENT].

[CONFIDENTIAL TEXT DELETED – details relating to the physical characteristics of the exported model and the models sold domestically]

2. Import charges and indirect taxes

If exports to Australia:

- are partially or fully exempt from internal taxes and duties that are borne by the like goods in domestic sales (or on the materials and components physically incorporated in the goods), or
- if such internal taxes and duties have been paid and are later remitted upon exportation to Australia;

the price of like goods must be adjusted downwards by the amount of the taxes and duties.

The taxes and duties include sales, excise, turnover, value added, franchise, stamp, transfer, border, and excise taxes. Direct taxes such as corporate income tax are not included as such taxes do not apply to the transactions.

Adjustment for drawback is not made in every situation where drawback has been received. Where an adjustment for drawback is appropriate you must provide information showing the import duty borne by the domestic sales. (That is, it is not sufficient to show the drawback amount and the export sales quantity to Australia. For example, you may calculate the duty borne on domestic sales by quantifying the total amount of import duty paid and subtracting the duty refunded on exports to all countries. The difference, when divided by the domestic sales volume, is the amount of the adjustment).

In substantiating the drawback claim the following information is required:

- a copy of the relevant statutes/regulations authorising duty exemption or remission, translated into English;
- the amount of the duties and taxes refunded upon *exportation* and an explanation how the amounts were calculated and apportioned to the exported goods;
- an explanation as to how you calculated the amount of duty payable on imported materials is borne by the goods sold *domestically* but is not borne by the exports to Australia;

Substitution drawback systems

Annex 3 of the WTO Agreement on Subsidies provides: *“Drawback systems can allow for the refund or drawback of import duties on inputs which are consumed in the production process of another product and where the export of this latter product contains domestic inputs having the same quality and characteristics as those substituted for the imported inputs”*

If such a scheme operates in the country of export adjustments can also be made for the drawback payable on the substituted domestic materials, provided the total amount of the drawback does not exceed the total duty paid.

[CONFIDENTIAL TEXT DELETED – details of import charges and indirect taxes]

3. Level of trade

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

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

It may not be possible to compare export prices and domestic prices at the

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same level of trade. Where relevant sales of like goods at the next level of trade must be used to determine normal values an adjustment for the difference in level of trade may be required where it is shown that the difference affects price comparability.

The information needs to establish that there are real trade level differences, not merely nominal differences. Real trade level differences are characterised by a consistent pattern of price differences between the levels and by a difference in functions performed. If there is no real trade level differences all sales are treated as being at the same level of trade.

A real difference in level of trade (may be adjusted for using either of the following methods:

- (a) *costs arising from different functions*: the amount of the costs, expenses etc incurred by the seller in domestic sales of the like goods resulting from activities that would not be performed were the domestic sales made at the same level as that of the importer.

This requires the following information:

- a detailed description of each sales activity performed in selling to your domestic customers (for example sales personnel, travel, advertising, entertainment etc);
- the cost of carrying out these activities in respect of like goods;
- for each activity, whether your firm carries out the same activity when selling to importers in Australia;
- an explanation as to why you consider that you are entitled to a level of trade adjustment.

or

- (b) *level discount*: the amount of the discount granted to purchasers who are at the same level of trade as the importer in Australia. This is determined by an examination of price differences between the two levels of trade in the exporter's domestic market, for example sales of like goods by other vendors or sales of the same general category of goods by the exporter. For this method to be used it is important that a clear pattern of pricing be established for the differing trade levels. Such pattern is demonstrated by a general availability of the discounts to the level - isolated instances would not establish a pattern of availability.

[CONFIDENTIAL TEXT DELETED – details relating to levels of trade]

4. Credit

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

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

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- the rate, or average of rates, applying on actual short term borrowings by the company; or
- the prime interest rate prevailing for commercial loans in the country for credit terms that most closely approximate the credit terms on which the sales were made; or
- such other rate considered appropriate in the circumstances.

Provide the applicable interest rate over each month of the investigation period.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, and if domestic prices are influenced by this longer or shorter period, calculate the average number of collection days.

Where there is no fixed credit period agreed at the time of sale the period of credit is determined on the facts available. For example, where payment is made using an open account system¹, the average credit period may be determined as follows:

1. *Calculate an accounts receivable turnover ratio*

This ratio equals the total credit sales divided by average accounts receivable.

(It is a measure of how many times the average receivables balance is converted into cash during the year).

In calculating the accounts receivable turnover ratio, credit sales should be used in the numerator whenever the amount is available from the financial statements. Otherwise net sales revenue may be used in the numerator.

An average accounts receivable over the year is used in the denominator. This may be calculated by:

- using opening accounts receivable at beginning of period plus closing accounts receivable at end of period divided by 2, or
- total monthly receivables divided by 12.

2. *Calculate the average credit period*

The average credit period equals 365 divided by the accounts receivable turnover ratio determined above at 1.

The resulting average credit period should be tested against randomly selected transactions to support the approximation.

The following items are identified in the amounts quantified at question D-4:

APRIL reports the credit expenses related to APRIL China's domestic sales of the GUC during the POI based on the actual credit period from the ERP system. This has been reported as an "other cost" at column "Y" of the Domestic sales spreadsheet.

¹

Under an open account system, following payment the balance of the amount owing is carried into the next period. Payment amounts may vary from one period to the next, with the result that the amount owing varies.

Credit expenses are calculated according to the actual payment date and the short term interest rate.

5. Transportation

Explain how you have quantified the amount of inland transportation associated with the domestic sales (“**Inland transportation Costs**”). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

APRIL China records the actual inland transportation costs related to its domestic sales of the GUC in its domestic inland freight ledger. An average per MT inland freight cost was calculated in relation to the domestic sales.

Please see Attachment 26 – domestic inland freight and warehousing costs [CONFIDENTIAL ATTACHMENT] for further details.

6. Handling, loading and ancillary expenses

List all charges that are included in the domestic price and explain how they have been quantified (“**Handling, loading and ancillary Expenses**”). Identify the general ledger account where the expense is located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

Handling costs are recorded in the same account ledger as inland freight, as to which please see Attachment 26 [CONFIDENTIAL ATTACHMENT].

Expenses related to warehousing are also reported in the same spreadsheet.

7. Packing

List material and labour costs associated with packing the domestically sold product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed “**Packing**”.

Please see above at E1-4.

8. Commissions

For any commissions paid in relation to the domestic sales:

- provide a description
- explain the terms and conditions that must be met.

Report the amount in the sales listing under the column headed “**Commissions**”. Identify the general ledger account where the expense is located.

[CONFIDENTIAL TEXT DELETED – details relating to sales commissions]

9. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses (“**Warranty & Guarantee expenses**” and “**Technical assistance & other services**”), including the basis of any

allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

[CONFIDENTIAL TEXT DELETED – details of warranties, guarantees and after sales service].

10. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed “**Other factors**”. List the factors and show how each has been quantified in per unit terms. For example:

- *inventory carrying cost*: describe how the products are stored prior to sale and show data relating to the average length of time in inventory. Indicate the interest rate used;
- *warehousing expense*: an expense incurred at the distribution point;
- *royalty and patent fees*: describe each payment as a result of production or sale, including the key terms of the agreement;
- *advertising*; and
- *bad debt*.

APRIL reports the warehousing expenses related only to APRIL China’s domestic sales of the GUC during the POI at column “U” of the Domestic sales spreadsheet. Please also refer to Attachment 26 – warehousing expense calculation [CONFIDENTIAL ATTACHMENT].

Apart from the various rebate, discount and internal commission provided by APRIL China relating to its domestic sales. APRIL China also incurs costs for other marketing, advertising and domestic sales related promotion activities. Such costs are only related to APRIL China’s domestic sales [CONFIDENTIAL TEXT DELETED – details of commercial arrangement]. Please see further information in this regard at G-4 and G-5 below.

As further indicated above and at Section G below, [CONFIDENTIAL TEXT DELETED – details of commercial arrangements relating to selling expenses] APRIL considers that selling expense based adjustment is called for in these circumstances, and requests such an adjustment to ensure a fair comparison.

E-3 Duplication

In calculating the amount of the adjustments you must ensure that there is no duplication.

For example:

- adjustments for level of trade, quantity or other discounts may overlap, or
- calculation of the amount of the difference for level of trade may be based upon selling expenses such as salesperson’s salaries, promotion expenses, commissions, and travel expenses.

Separate adjustment items must avoid duplication.

An adjustment for quantities may not be granted unless the effect on prices for quantity differences is identified and separated from the effect on prices for level of

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trade differences.

No duplication has been identified.

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

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

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

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

Column heading	Explanation
Country	Name of the country that you exported like goods to over the investigation period.
Number of customers	The number of different customers that your company has sold like goods to in the third country over the investigation period.
Level of trade	The level of trade that you export like goods to in the third country.
Quantity	Indicate quantity, in units, exported to the third country over the investigation period.
Unit of quantity	Show unit of quantity eg kg
Value of sales	Show net sales value to all customers in third country over the investigation period
Currency	Currency in which you have expressed data in column SALES
Payment terms	Typical payment terms with customer(s) in the country eg. 60 days=60 etc
Shipment terms	Typical shipment terms to customers in the third country eg CIF, FOB, ex-factory, DDP etc.

Supply this information in spreadsheet file named "Third country"

Please see Attachment 27 – Third country [CONFIDENTIAL ATTACHMENT].

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

**[CONFIDENTIAL TEXT DELETED – details of sales practices]
In any case APRIL is fully cooperative with this investigation and trusts that the**

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Commission will be able to undertake normal value determination for comparison with export prices to Australia without reference to third country export sales.

SECTION G

COSTING INFORMATION AND CONSTRUCTED VALUE

The information that you supply in response to this section of the questionnaire will be used for various purposes including:

- *testing the profitability of sales of like goods on the domestic market;*
- *determining a constructed normal value of the goods under consideration (the goods) - ie of the goods exported to Australia; and*
- *making certain adjustments to the normal value.*

You will need to provide the cost of production of both the exported goods (the goods) and for the like goods sold on the domestic market. You will also need to provide the selling, general, and administration costs relating to goods sold on the domestic market; the finance expenses; and any other expenses (eg. non-operating expenses not included elsewhere) associated with the goods.

In your response please include a worksheet showing how the selling, general, and administration expenses; the finance expenses; and any other expenses have been calculated.

If, in response to question B4 (Sales to Australia, Export Price) you:

- *reported that the date of sale is not the invoice date and consider that this alternative date should be used when comparing domestic and export prices, and*
- *provided information on domestic selling prices for a matching period as required in the introduction to Section D (Domestic Sales)*

you must provide cost data over the same period as these sales even if doing so means that such cost data predates the commencement of the investigation period.

At any verification meeting you must be prepared to reconcile the costs shown to the accounting records used to prepare the financial statements.

G-1 Production process and capacity

1. Describe the production process for the goods. Provide a flowchart of the process. Include details of all products manufactured using the same production facilities as those used for the goods. Also specify all scrap or by-products that result from producing the goods.

Please see Attachment 28 [CONFIDENTIAL ATTACHMENT] for the production flow chart at APRIL China.

The only scrap resulting from production of the GUC was scrap paper.

G-2. Provide information about your company's total production in the following table:

	PREVIOUS FINANCIAL YEAR	MOST RECENT FINANCIAL YEAR	Investigation Period
A – Production capacity (eg kg, tonnes)*			
B – Actual production in volume (eg kg, tonnes)			
C – Capacity utilisation (%) (B/A x 100)			

* rather than showing a 'name-plate' optimal capacity it is more meaningful to show the maximum level of production that may reasonably be attained under normal operating conditions. For example assuming: normal levels of maintenance and repair; a number of shifts and hours of operation that is not abnormally high; and a typical production mix.

Provide this information on a spreadsheet named "**Production**".

Please see Attachment 29 – Production [CONFIDENTIAL ATTACHMENT]

G-3. Cost accounting practices

1. Outline the management accounting system that you maintain and explain how that cost accounting information is reconciled to your audited financial statements.

[CONFIDENTIAL TEXT DELETED – details of cost accounting practices and internal accounting methods]

2. Is your company's cost accounting system based on standard (budgeted) costs? State whether standard costs were used in your responses to this questionnaire. If they were state whether all variances (ie differences between standard and actual production costs) have been allocated to the goods - and describe how those variances have been allocated.

[CONFIDENTIAL TEXT DELETED – internal accounting methods]

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

Please refer to APRIL's response to G-3.8.

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

Please see Attachment 30 – list of profit and cost centres [CONFIDENTIAL ATTACHMENT].

5. For each profit/cost centre describe in detail the methods that your company normally uses to allocate costs to the goods under consideration. In particular specify how, and over what period, expenses are amortised or depreciated,

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and how allowances are made for capital expenditures and other development costs.

The costs aggregated in cost centres are allocated to each product (production order level) based on the production hour by monthly basis.

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

Production cost is recorded on a product code basis in the cost accounting system. Please see Attachment 17 [CONFIDENTIAL ATTACHMENT] for details of the product code description

7. List and explain all production costs incurred by your company which are valued differently for cost accounting purposes than for financial accounting purposes.

The cost accounting is an integral part of financial accounting, there is no difference between the costs in the two systems.

8. State whether your company engaged in any start-up operations in relation to the goods under consideration. Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.

APRIL China engaged in start-up operations in relation to the GUC during the POI.

[CONFIDENTIAL TEXT DELETED – details of start-up operations of APRIL China]

9. State the total cost of the start-up operation and the way that your company has treated the costs of the start-up operation in its accounting records.

[CONFIDENTIAL TEXT DELETED – details of start-up operations of APRIL China]

G-4 Cost to make and sell on domestic market

This information is relevant to testing whether domestic sales are in the ordinary course of trade.²

1. Please provide (in the format shown in the table below) the actual unit cost to make and sell each model/type* (identified in section C) of the like goods sold on the domestic market. Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.

~~* You should provide separate costs for at least untreated and treated structural timber. Costs should be provided for lower levels of product type if these are normally calculated by your company.~~

2. Indicate the source of cost information (account numbers etc) and/or methods used to allocate cost to the goods. Provide documentation and

² The Commission applies the tests set out in s.269TAA of the Customs Act 1901 to determine whether goods are in ordinary course of trade. These provisions reflect the WTO anti-dumping agreement – see Article 2.2.1.

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worksheets supporting your calculations.

	Quarter X	Quarter X	Quarter X	Quarter X
Like Domestic Model/Type – from spreadsheet LIKEGOOD				
Material Costs ¹				
Direct Labour				
Manufacturing Overheads				
Other Costs ²				
Total Cost to Make				
Selling Costs				
Administration Costs				
Financial Costs				
Delivery Expenses				
Other Costs ³				
Unit Cost to Make and Sell				

Prepare this information in a spreadsheet named "**Domestic CTMS**".

- ¹ Identify each cost separately. Include indirect material costs as a separate item only if not included in manufacturing overheads.
- ² Relating to costs of production only; identify each cost separately.
- ³ Identify each cost separately. Please ensure non-operating expenses **that relate to the goods under consideration** are included. Where gains/losses due to foreign currency exchange are incurred, please provide detail of the amounts separately for transaction and translation gains/losses.

Provide this information for each quarter (or month if your company calculates costs on a monthly basis) over the period of the investigation.

Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.

If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.

Please specify unit of currency.

APRIL has reported the cost to make and sell the like goods to the GUC by APRIL China on its domestic market in Attachment 31 – Domestic CTMS [CONFIDENTIAL ATTACHMENT].

Please see Attachment 32 [CONFIDENTIAL ATTACHMENT] for the calculation worksheet relating to the SG&A. [CONFIDENTIAL TEXT DELETED – details relating to SG&A].

G-5 Cost to make and sell goods under consideration (goods

exported to Australia)

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

	Quarter X	Quarter X	Quarter X	Quarter X
Model/Type exported to Australia – from spreadsheet LIKEGOOD				
Material Costs ¹				
Direct Labour				
Manufacturing Overheads				
Other Costs ²				
Total Cost to Make				
Selling Costs				
Administration Costs				
Financial Costs				
Delivery Expenses				
Other Costs ³				
Unit Cost to Make and Sell				

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

¹ Identify each cost separately. Include indirect material costs as a separate item only if not included in manufacturing overheads.

² Relating to costs of production only; identify each cost separately.

³ Identify each cost separately. Please ensure non-operating expenses **that relate to the goods** are included. Where gains/losses due to foreign currency exchange are incurred, please provide detail of the amounts separately for transaction and translation gains/losses.

Provide this information for each quarter (or month if your company calculates costs on a monthly basis) over the period of the investigation.

Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.

If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.

Please specify unit of currency.

Please see Attachment 33 – Australian CTMS [CONFIDENTIAL ATTACHMENT]

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

[CONFIDENTIAL TEXT DELETED – details of costing and reporting method]

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

There is no significant difference between the costs shown, and the costs as normally determined in accordance with the general accounting system.

3. In calculating the unit cost to make and sell, provide an explanation if the allocation method used (eg number, or weight etc) to determine the unit cost differs from the prior practice of your company.

Selling expense, business administrative expense and financial cost are calculated from income statement. Please see Attachment 34 – Australian SG&A calculation [CONFIDENTIAL ATTACHMENT].

G-6 Major raw material costs

List major raw material costs, which individually account for 10% or more of the total production cost.

For these major inputs:

- identify materials sourced in-house and from associated entities;
- identify the supplier; and
- show the basis of valuing the major raw materials in the costs of production you have shown for the goods (eg market prices, transfer prices, or actual cost of production).

Where the major input is produced by an associate of your company the Commission will compare your purchase price to a normal market price. If the associate provides information on the cost of production for that input such cost data may also be considered.

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

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

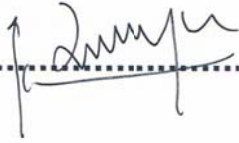
[CONFIDENTIAL TEXT DELETED – information relating to product costs]

Please see Attachment 35 – Major raw material purchases [CONFIDENTIAL ATTACHMENT].

[CONFIDENTIAL TEXT DELETED – details of raw material costs and procurement].

**SECTION H
EXPORTER'S DECLARATION**

I hereby declare that **APRIL Fine Paper Trading Pte Ltd** did, during the period of investigation export the goods under consideration and have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

Name : Audrey Ng Mei Ling
Signature : 
Position in Company : Business Controller
Date : 8/12/13

SECTION I CHECKLIST

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

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

Electronic Data	Please tick if you have provided spreadsheet
INCOME STATEMENT	<input checked="" type="checkbox"/>
TURNOVER – sales summary	<input checked="" type="checkbox"/>
AUSTRALIAN SALES – list of sales to Australia	<input checked="" type="checkbox"/>
DOMESTIC SALES – list of all domestic sales of like goods	<input checked="" type="checkbox"/>
THIRD COUNTRY – third country sales	<input checked="" type="checkbox"/>
PRODUCTION – production figures	<input checked="" type="checkbox"/>
DOMESTIC COSTS – costs of goods sold domestically	<input checked="" type="checkbox"/>
AUSTRALIAN COSTS – costs of goods sold to Australia	<input checked="" type="checkbox"/>