



Australian Government
 Australian Customs and
 Border Protection Service

**International Trade Remedies Branch
 Exporter Questionnaire**

Chememan Company Limited

Product: Quicklime

From: Thailand

Investigation period: 1 July 2010 to 30 June 2011

Response due by: **10 December 2011**
Extended to 21 December 2011

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Australian Customs and Border Protection website: www.customs.gov.au

Return completed questionnaire to: International Trade Remedies Branch
 Australian Customs and Border Protection Service
 5 Constitution Avenue
 Canberra ACT 2601
 AUSTRALIA

Attention: Director Operations 1

GOODS UNDER CONSIDERATION

The goods under consideration (the goods) ie the goods exported to Australia, allegedly at dumped prices, are quicklime. The applicant provided further details as follows:

Quicklime is also known as Calcium Oxide as this is the dominant chemical composition of quicklime (CaO). Other common names to describe this product are Burnt Lime and Unslaked Lime. Quicklime is a white to grey, caustic, crystalline solid at room temperature.

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SECTION A - COMPANY STRUCTURE AND OPERATIONS

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

ANSWER
CMM-TH has reported its sales to its customers. However, the vast majority of sales involved CMM-INTER, [CONFIDENTIAL TEXT DELETED - commercial arrangements with related company exporter] that price reflects all cost and price elements and is the price paid by the importer. We have prepared the Australian sales response for both CMM-TH and CMM-INTER so that the sales can be linked together easily for analysis purposes.

A-1 Identity and communication

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

Head Office:

ANSWER
Name: Sittichai Thiensathaporn
Position in the company: Executive Vice President
Address: 195/11-12 Lake Rajada Office Complex 2, 10th Floor, Rajadapisek Road, Klongtoey, Bangkok 10110, Thailand
Telephone: 662-661-9734
Facsimile number: 662-661-9733
E-mail address of contact person: sittichait@chememan.com

Factory:

ANSWER
Name: Suwat Tunlayadechanont
Position in the company: Executive Vice President
Address: 33/1 Moo 11, Nongkontee-Huaysanjao Road, Huaypawai, Prabuddhabaht, Saraburi 18120
Telephone: 6636-360004
Facsimile number: 6636-360008
E-mail address of contact person: kongrip@chememan.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:

ANSWER
Name: Daniel Moulis
Address: 6/2 Brindabella Circuit, Brindabella Business Park, Canberra International Airport, ACT 2609

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Australia

Telephone: 61 2 6163 1000

Facsimile/Telex number: 61 2 6162 0606

E-mail address of contact person: daniel.moulis@moulislegal.com

Please communicate with Mr Moulis in the first instance in relation to all matters involving this EQ response and the investigation generally.

Note that in nominating a representative, Customs and Border Protection 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.

ANSWER

The company name is Chememan Company Limited ("CMM-TH"), incorporated as a private company limited in Thailand. There is no other business name used by the company.

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).

ANSWER

CMM-TH is owned by a group of professionals. Some of these shareholders hold the shares in CMM-TH directly and [CONFIDENTIAL TEXT DELETED – details of private shareholding] shares in CMM-TH.

Exhibit A-1 provides a list of shareholders owning (directly and indirectly) 5% or more of shares on CMM-TH.

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

ANSWER

CMM-TH is not a subsidiary of any company.

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

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ANSWER
CMM-TH does not have a parent company.

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

ANSWER
Please see Exhibit A-2. CMM-TH has three subsidiary companies.

- (1) Chememan Australia Pty Ltd ("CMM-AU"), a private company limited registered in Western Australia in November 2008. [CONFIDENTIAL TEXT DELETED – details of shareholding]. CMM-AU operates a distribution centre in Henderson, WA. It imports limestone, quicklime, and hydrated lime from Thailand and [CONFIDENTIAL TEXT DELETED – details of products imported and origin] for distribution in WA. [CONFIDENTIAL TEXT DELETED – details of origin] were imported directly from CMM-TH. [CONFIDENTIAL TEXT DELETED – details of origin] were imported through Chememan International Pte. Ltd. (see below).
- (2) Chememan International Pte. Ltd. ("CMM-INTER"), a private company limited registered in Singapore in September 2010, [CONFIDENTIAL TEXT DELETED – details of shareholding]. CMM-INTER purchases products from CMM-TH and the suppliers [CONFIDENTIAL TEXT DELETED – details of origin] and exports them to the customers in Australia (including CMM-AU as well as unaffiliated customers in Australia).
- (3) [CONFIDENTIAL TEXT DELETED – details of other related company, not relevant to GUC]

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

ANSWER
CMM-TH does not have a parent company. [CONFIDENTIAL TEXT DELETED – details of internal group accounting]

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

ANSWER
CMM-TH is the manufacturer and seller of limestone and quicklime products.
CMM-TH owns a limestone quarry and operates a limestone crushing and dressing plant. Limestone products are sold in domestic and export markets and consumed internally in the production of quicklime. CMM-TH owns and operates two gas-fired vertical quicklime kilns where most of its quicklime products are produced. It also produces quicklime using a coal-fired rotary kiln owned by an unrelated company, under a tolling arrangement.
[CONFIDENTIAL TEXT DELETED – details of production]

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8. If your business does not perform all of the following functions in relation to the goods, 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.

ANSWER

CMM-TH performs all of the above functions. [CONFIDENTIAL TEXT DELETED – details of sales route to Australia]

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

ANSWER

CMM-TH's organization chart is provided at Exhibit A-3(1).

Operation Division oversees all manufacturing and engineering activities of the company.

- Kangkoi Plant includes limestone quarry, limestone crushing plant, and limestone dressing plant, all located in Kangkoi district, Saraburi province.
- Prabuddhabaht Plant covers quicklime factory located in Prabuddhabaht district, Saraburi province.
- Product Technology is responsible for new product development and process technology.
- Engineering is responsible for the design, installation, and supervision of all engineering and construction works relating to plant and process improvement and new projects.

Finance and Administration Division oversees all non-manufacturing activities.

- Commercial Department is responsible for sales and marketing of all products.
- Finance and Accounting Department performs financial and cost accounting as well as finance functions.
- Human Resources & Administration Department manages recruitment, payroll, labour relation, personnel training and development, and administrative activities.
- Purchasing Department is responsible for procurements of various goods and services required by the company.
- Information Technology is responsible for information technology systems, including hardware, business applications, network, and IT security systems.

Business Development Unit manages government relations and corporate social responsibility programs.

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

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ANSWER

CMM-TH is not a public company and thus is not required to prepare an annual report of this nature. See Exhibit A-3(2) company brochure.

A-4 General accounting/administration information

1. Indicate your accounting period.

ANSWER

The accounting period of CMM-TH is January to December.

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

ANSWER

The financial records of CMM-TH are kept in its head office and factory.

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

These documents should relate to:

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

ANSWER

Chart of accounts of CMM-TH is provided in Exhibit A-4(1).

CMM-TH does not prepare consolidated financial statements. Exhibit A-4(2), (3) and (4) contains the 2009 and 2010 (January – December) audited unconsolidated financial statements of CMM-TH and its internal financial statements over the POI.

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.

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ANSWER
The audited financial statements of CMM-TH are provided at Exhibit A-4.

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

ANSWER
CMM-TH follows the generally accepted accounting principles in Thailand.

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);

ANSWER
Raw material and finished goods inventories are valued at actual, weighted average cost. WIP is valued at standard cost.

- 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);

ANSWER
Cost of each production process (limestone mining & crushing plant, limestone dressing plant, quicklime kilns, and quicklime grinding) is allocated to its output products by weight.

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

ANSWER
Prime and secondary quicklime with different level of Calcium Oxide ("CaO") are allocated the same cost.

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

ANSWER
CMM-TH manufactures limestone of various sizes at its limestone crushing plant located at the quarry. **[CONFIDENTIAL TEXT DELETED – details of production cost accounting for different grades]**
Limestone products of certain (small) sizes from the crushing plant are transported to limestone dressing plant located nearby, where they are further ground into various sizes of limestone powder. **[CONFIDENTIAL TEXT DELETED – details of production cost accounting for different grades]**
For quicklime production process, lime dust is considered a by-product. **[CONFIDENTIAL TEXT]**

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DELETED – details of production cost accounting for different grades]

- valuation and revaluation methods for fixed assets;

ANSWER
CMM-TH does not revalue its fixed assets.

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

ANSWER
Lime kilns are depreciated using the Productive Output Method (i.e., fixed rate per tonne of output produced). The remaining machinery and equipment are depreciated using straight-line method over the useful life of 5 to 20 years depending on the nature of assets.

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

ANSWER
Upon settlement of foreign currency transactions, foreign exchange gain or loss determined by the difference between transaction rate and payment rate is captured in the profit and loss statement as realized foreign exchange gain/loss.

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

ANSWER
Asset and liability denominated in foreign currency are marked to market using the exchange rate [CONFIDENTIAL TEXT DELETED – financial information] at the end of each month. The foreign exchange gain or loss determined by the difference between transaction rate and month-end exchange rate are captured in profit and loss statement as unrealized foreign exchange gain/loss. Unrealized foreign exchange gain/loss is reversed at the beginning of the following month.

- inclusion of general expenses and/or interest;

ANSWER
Import expenses, related transportation, and interest during construction are capitalized into acquisition cost of the underlying fixed assets before such fixed assets are depreciated. Import expenses and related transportation of imported current assets are capitalized into landed cost of inventory.

- provisions for bad or doubtful debts;

ANSWER
Accounts receivable are stated at their net realizable values. Allowance for doubtful accounts is

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provided for the estimated losses that may incur in collection receivables, based on collection experiences and analysis of debt aging.

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

ANSWER

If assets are temporarily idled or shut down because of repairs and maintenance, CMM-TH continues to apply all depreciation charges.

- costs of plant closure;

ANSWER

There was no plant closure.

- restructuring costs;

ANSWER

CMM-TH did not incur any restructuring cost.

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

ANSWER

[CONFIDENTIAL TEXT DELETED – details of production cost accounting] Sales of these scrap are recorded as other revenue.

- effects of inflation on financial statement information.

ANSWER

Inflation in Thailand has been low historically and remained low throughout 2010 and 2011. Inflation therefore had no significant effect on CMM-TH's financial statement information.

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.

ANSWER

There have been no changes in accounting policy since 2009.

A-5 Income statement

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Please fill in the following table. It requires information concerning all products produced and for the goods. You should explain how costs have been allocated.

	Most recent completed financial year (Jan – Dec 2010)		Investigation period (Jul 2010 – Jun 2011)	
	All products	The goods	All products	The goods
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)				
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 best reflects your financial reporting.

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.

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ANSWER

The requested data is provided in the spreadsheet Exhibit A-5 Income Statement.

- Total "net sales" in 2010 of [CONFIDENTIAL TEXT DELETED] Baht at (3) ties to the amount reported in 2010 audited financial statement in Exhibit A-4.
- Total "cost to make" in 2010 of [CONFIDENTIAL TEXT DELETED] Baht at (9) reconciles to total cost of goods sold in 2010 audited financial statement.
- Total 2010 selling expense of [CONFIDENTIAL TEXT DELETED] Baht at (12), general administrative expense of [CONFIDENTIAL TEXT DELETED] Baht at (13), interest expense of [CONFIDENTIAL TEXT DELETED] Baht at (17), and corporate income tax of [CONFIDENTIAL TEXT DELETED] Baht at (21) all tie to the audited financial statement.
- The sum of 2010 interest income of [CONFIDENTIAL TEXT DELETED] Baht at (16) and extraordinary gain of [CONFIDENTIAL TEXT DELETED] baht at (18) reconciles to [CONFIDENTIAL TEXT DELETED] baht other income shown in the audited financial statement.

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 (Jan - Dec 2010)		Investigation period (Jul 2010 - Jun 2011)	
	Volume	Value	Volume	Value
Total company turnover (all products)				
Domestic market				
Exports to Australia				
Exports to Other Countries				
Turnover of the nearest business unit, for which financial statements are prepared, which includes the goods				
Domestic market				
Exports to Australia				
Exports to Other Countries				
Turnover of the goods				
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 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.

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ANSWER

The requested data is provided in the spreadsheet Exhibit A-6 Turnover.

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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 Customs and Border Protection may also compare prices at the ex factory level.

*You should report prices of **all** 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).

ANSWER
 The requested information is provided in Exhibit B-1. Note that during July to August 2010, **[CONFIDENTIAL TEXT DELETED – details of sales route to Australia and customers]**. Exhibit B-1 thus contains the information of CMM-AU and **[CONFIDENTIAL TEXT DELETED – details of customers]**.

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

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

ANSWER
[CONFIDENTIAL TEXT DELETED – details of group accounting arrangements] arranged and paid for all inland freight and other movement expenses up to the port of exit in Thailand as well as ocean freight to port of entry in Australia and the related and marine insurance.
[CONFIDENTIAL TEXT DELETED – details of group accounting arrangements] arranged and incurred inland freight and other movement expenses up to the port of exit in Thailand
[CONFIDENTIAL TEXT DELETED – details of group accounting arrangements] ocean freight to

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port of entry in Australia. For marine insurance, [CONFIDENTIAL TEXT DELETED – details of group accounting arrangements] the cost of marine insurance [CONFIDENTIAL TEXT DELETED – details of group accounting arrangements] for these shipments. Please see Exhibit B-2 for a flow chart depicting the sales.

For [CONFIDENTIAL TEXT DELETED – details of sales route to Australia and customers], [CONFIDENTIAL TEXT DELETED – details of group accounting arrangements] inland freight and other movement expenses up to the port of exit. [CONFIDENTIAL TEXT DELETED – details of commercial arrangements with customers] movement expense on this shipment.

- Identify each party in the distribution chain 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.

ANSWER

Please refer to the response to immediately above question. There were no commissions paid on exports of goods to Australia by CMM-TH.

- 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.

ANSWER

[CONFIDENTIAL TEXT DELETED – details of group accounting arrangements, sales route and commercial arrangements with customers]

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

ANSWER

There were no agency or distributor agreements in relation to the Australian market.

- 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.

ANSWER

For all sales to CMM-AU, [CONFIDENTIAL TEXT DELETED – details of sales route] were based on internal Chememan corporate decisions regarding exchange risk, freight and other movement costs, cash flow and market considerations.

[CONFIDENTIAL TEXT DELETED – details of commercial arrangements with customers]

- 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).

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ANSWER

CMM-TH is affiliated with CMM-AU. [CONFIDENTIAL TEXT DELETED – details of group financing arrangements]

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

ANSWER

As of the date of this response, there is no outstanding orders of goods from Australian customers which have not been shipped.

- B-3** Do your export 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.

ANSWER

Yes, export selling prices vary depending on the channel used. Market considerations and the absence of costs [CONFIDENTIAL TEXT DELETED – details of commercial pricing considerations] sample batches for large scale testing purposes. [CONFIDENTIAL TEXT DELETED – details of commercial pricing considerations] Prices [CONFIDENTIAL TEXT DELETED – details of internal group pricing] were based on internal Chememan corporate decisions regarding exchange risk, freight and other movement costs, cash flow and market considerations.

- B-4** Prepare a spreadsheet named “Australian sales” listing all shipments (i.e. transaction by transaction) to Australia of the goods 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 other than 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 in the currency of sale, excluding taxes.
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.

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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 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.

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

** 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. Freight allocations must be checked for consistency.

ANSWER

The requested data is provided in the spreadsheet Exhibit B-4 Australian sales.

Customer name and Level of trade

CMM-TH reported CMM-AU [CONFIDENTIAL TEXT DELETED - details of sales route]

Model and Product code

The product code used in its ERP system is reported under the field "Product code". The product

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code starts with prefix [CONFIDENTIAL TEXT DELETED – product coding/type] designating quicklime. This follows by the numeric digits – [CONFIDENTIAL TEXT DELETED – product coding/type]. The following text string before the sign "-" indicates physical size, [CONFIDENTIAL TEXT DELETED – product coding/type]. The last text string after the sign "-" contains a letter [CONFIDENTIAL TEXT DELETED – product coding/type] indicates that the product is packed in [CONFIDENTIAL TEXT DELETED – product coding/type] exported to Australia were packed in [CONFIDENTIAL TEXT DELETED – product coding/type].

Invoice number, Invoice date, Date of sale

CMM-TH reported its invoice number and invoice date in the field "Invoice number" and "Invoice date". Date of sale is the same as invoice date, thus this field is left blank.

Order Number

CMM-TH reported under this field the order number of CMM-AU [CONFIDENTIAL TEXT DELETED – details of sales route].

Shipping Term

For sales to CMM-AU, the delivery term is CIF Fremantle. [CONFIDENTIAL TEXT DELETED – details of sales route]

Payment Term

For all [CONFIDENTIAL TEXT DELETED – credit terms] days after BL or invoice date, [CONFIDENTIAL TEXT DELETED – details of sales route] the payment term is [CONFIDENTIAL TEXT DELETED – credit terms] days after ETA or [CONFIDENTIAL TEXT DELETED – credit terms] days after invoice date, with an exception of [CONFIDENTIAL TEXT DELETED – commercial arrangements with customers/sales route] where the payment term is [CONFIDENTIAL TEXT DELETED – credit terms] days after ETD or invoice date.

Quantity

CMM-TH reported sales quantity in metric tonne.

Gross invoice value, Currency, Exchange rate, Net invoice value

CMM-TH reported in the field "Gross invoice value" the amount of invoice in Baht currency as recorded in its book. CMM-TH also reported in the fields "Gross invoice value in foreign currency" and "Currency" the amount and currency of invoice. CMM-TH notes that all sales to CMM-AU were denominated in AUD. [CONFIDENTIAL TEXT DELETED – internal group arrangements] denominated in AUD and subsequent sales were all denominated in USD.

In its normal course of business, CMM-TH uses the exchange rate of [CONFIDENTIAL TEXT DELETED – credit provision] to convert all export sales in foreign currency to Thai baht. The exchange rate (either Baht/AUD or Baht/USD) is reported in the field "Exchange rate".

Discount, Rebate, Other charges, Net invoice value, Other discounts

There was no discount, rebate, or other charges shown on invoice. Thus, net invoice value reported is the same as gross invoice value. CMM-TH notes that the reported net invoice value is denominated in Baht.

There were no other discounts for all export sales of goods to CMM-AU or CMM-INTER. Thus the field "Other discounts" is left blank.

Ocean freight and Marine insurance

CMM-TH incurred ocean freight and marine insurance [CONFIDENTIAL TEXT DELETED – details of sales route]. Ocean freight and marine insurance were reported in Baht.

FOB Price

CMM-TH reported the actual FOB price by subtracting actual ocean freight and marine insurance costs from its gross invoice price. FOB price was reported in Baht.

Packing

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CMM-TH reported the packing cost in Baht under this field. In its normal course of business, CMM-TH calculated the packing costs by product code. Packing costs consist of material cost (cost of bags), packing labour cost, and packing overheads (forklift depreciation, forklift hire). For each product code, CMM-TH keeps track the total number of bags which were packed during each month and the total packing cost associated with these bags. CMM-TH then aggregates, by product code, the total packing cost of each month and the packing cost of beginning quicklime inventory which were already packed in bags at the beginning of the month. Dividing this total packing cost by the total number of bags in beginning inventory and total number of bags packed during the month yields the weighted average per-bag unit cost of packing.

When CMM-TH sells quicklime in bags in any given month, it multiplies the corresponding weighted average per-bag unit cost of packing by the number of bags shipped, by product code. The resulting amount is recorded as packing cost component of cost of goods sold. The balance is captured as packing cost component of quicklime finished goods inventory.

CMM-TH allocated the packing cost component of cost of good sold calculated each month in its normal course of business to all sales by product code.

Inland transportation

For [CONFIDENTIAL TEXT DELETED – details of sales route] CMM-TH reported under the field "Inland transportation" trucking cost of delivery quicklime in bags from its factory to Container Freight Station near container port.

For [CONFIDENTIAL TEXT DELETED – details of sales route and customers] arranged a bulk vessel to load quicklime at Koh Sichang, east coast of Thailand. [CONFIDENTIAL TEXT DELETED – details of sales route] inland trucking cost, barge loading cost, barging costs and inland transit insurance cost, and vessel loading at Koh Sichang anchorage point.

Handling & other

For [CONFIDENTIAL TEXT DELETED – details of sales route], CMM-TH reported gate charge, container stuffing, terminal handling charge, BL fee, customs brokerage fee, customs fee.

[CONFIDENTIAL TEXT DELETED – details of sales route and customers] by bulk vessel, CMM-TH reported customs brokerage fee, customs fee and overtime, and inspection fee.

Warranty expenses and Technical support

CMM-TH did not incur warranty or technical support expenses.

Commissions

CMM-TH incurred no commission on any of its export sales to Australia.

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.

ANSWER

There was no other cost incurred by CMM-TH.

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

- provide a description; and

NON-CONFIDENTIAL VERSION

- 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.

ANSWER
There was no discount, rebate, or allowance on export sales to Australia

- 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.

ANSWER
CMM-TH did not issue credit notes [CONFIDENTIAL TEXT DELETED – details of internal group arrangements].

- 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)

ANSWER
[CONFIDENTIAL TEXT DELETED – details of sales route and customers] on a CIF basis.
[CONFIDENTIAL TEXT DELETED – details of sales route and customers] on FOB Thailand basis.

- 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.

NON-CONFIDENTIAL VERSION

Customs and Border Protection will select additional shipments for payment verification at the time of the visit.

ANSWER

The requested documents are provided in Exhibit B-9. **[CONFIDENTIAL TEXT DELETED - details of sales route]**

NON-CONFIDENTIAL VERSION

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.

ANSWER
 Goods exported to Australia include quicklime of 90% CaO (calcium Oxide) in **[CONFIDENTIAL TEXT DELETED – details of products exported]**. Exhibit C-1 provides sample certificates of analyses showing chemical properties and physical size of aggregate and powder quicklime.

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).

ANSWER
 Please see question C-1 above.

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 outline differences

Prepare this information on a spreadsheet named "Like goods".

ANSWER
 CMM-TH has completed Exhibit C-3 Like goods.

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.

NON-CONFIDENTIAL VERSION

ANSWER

In the domestic market, CMM-TH sells [CONFIDENTIAL TEXT DELETED – details of products sold domestically]. Exhibit C-4 provides sample certificates of analyses showing chemical properties and physical size of these [CONFIDENTIAL TEXT DELETED - details of products sold domestically] groups of products.

NOTE:

CMM-TH does not accept the proposition that its quicklime is "like goods" to the quicklime produced by the applicant. The base material from which CMM-TH's quicklime is produced is rock, not shell sand like the applicant. The chemical composition of CMM-TH's quicklime is different, in ways which have already been outlined. Furthermore, the applicant does not even produce quicklime in lump or aggregate forms.

NON-CONFIDENTIAL VERSION

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 Customs and Border Protection requirements. If agreement cannot be reached as to the appropriate method Customs and Border Protection may not visit your company.*

Customs and Border Protection 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 Customs and Border Protection 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;

ANSWER

Almost all domestic sales were made directly to the end users in various industries, such as pulp and paper, steel, sugar, and hydrator. The exception is sales made to **[CONFIDENTIAL TEXT DELETED – details of sales route and customers]**.

- information concerning the functions/activities performed by each party in the distribution chain; and

ANSWER

For direct sales to end users, CMM-TH negotiates and agrees the price with the customers. For sales to the trader, CMM-TH negotiates and agrees the price with the trader.

For both sales to end users and trader, CMM-TH makes sales on both delivered and ex-factory basis. For delivered sales, CMM-TH may utilize its own truck fleet or rent the trucks.

NON-CONFIDENTIAL VERSION

- a copy of any agency or distributor agreements, or contracts entered into.

ANSWER

There were no agency or distributor agreements.

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.

ANSWER

None of the domestic customers are affiliated with CMM-TH.

- 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.

ANSWER

[CONFIDENTIAL TEXT DELETED - details of pricing to customers]

- 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

ANSWER

CMM-TH negotiates and agrees to the terms of sales with all domestic customers.

For certain customers, price is agreed on a spot basis, e.g., monthly order.

For some customers, CMM-TH entered into sales agreements with them, covering a period of [CONFIDENTIAL TEXT DELETED] years. These contracts typically specify the base price of quicklime and base transportation charge (for delivered sales), which are linked to a certain level of fuel oil and diesel oil, respectively. The price and transportation charge are usually adjusted monthly by a rise and fall formula based on the movement of fuel oil and diesel oil during the previous month. For a few contracts with small total volume, CMM-TH may agree to a fixed price with the customers for an entire contractual period.

For other customers, CMM-TH may not enter into formal sales agreements with them but the parties nevertheless may agree to sales quantity during the next 3 or 6 months with either fixed price or floating price (with a rise and fall formula). These arrangements are usually made by means of sales quotation issued by CMM-TH and accepted by the customers.

CMM-TH makes sales on both delivery and ex-factory bases.

Most of domestic sales are [CONFIDENTIAL TEXT DELETED - credit terms]

- whether price includes the cost of delivery to customer.

NON-CONFIDENTIAL VERSION

ANSWER

Invoice price includes the cost of delivery if CMM-TH sold the goods on delivered basis.

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

ANSWER

CMM-TH does not issue price lists.

- 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 other than the invoice date best establishes the material terms of sale and should be used, report that date. For example, order confirmation, contract, or 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 in the currency of sale, 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	expenses for after sale services such as technical assistance or installation costs.

NON-CONFIDENTIAL VERSION

* & other services*	
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.

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

ANSWER

The requested data are provided in the spreadsheet Exhibit D-4 Domestic sales.

Customer name and Level of trade

CMM-TH reported the customer name and the level of trade in these two fields. Most customers are end user [**CONFIDENTIAL TEXT DELETED – details of customer types**].

Model and Product code

CMM-TH reported the product code in the field "Product code". Most of quicklime sold in domestic market are of 90% CaO content with some products sold with 85% CaO content. The CaO content is designated by the numeric digit in the product code [**CONFIDENTIAL TEXT DELETED – product coding/type**]. Most of quicklime sold domestically are in [**CONFIDENTIAL TEXT DELETED – product coding/type**]. The text string before the sign "-" in the product code indicates these sizes [**CONFIDENTIAL TEXT DELETED – product coding/type**]. Most products were shipped in bulk, unpacked. Some products were packed in bag. The last text string of product code after the sign "-" indicates packing style [**CONFIDENTIAL TEXT DELETED – product coding/type**].

Invoice number, Invoice date, Date of sale

CMM-TH reported its invoice number and invoice date in the field "Invoice number" and "Invoice date". Date of sale is the same as invoice date, thus this field is left blank.

Order Number

Invoice date is the date of sale. This field is thus left blank.

Shipping Term

CMM-TH reported in this field "Del" or Ex-Fact" for delivered and ex-factory sales, respectively.

Payment terms

CMM-TH reported payment term in the field "Payment terms".

Shipping Term

CMM-TH reported in this field "Del" or Ex-Fact" for delivered and ex-factory sales, respectively.

Payment terms

CMM-TH reported payment term in the field "Payment terms".

Quantity

CMM-TH reported sales quantity in metric tonne.

Gross invoice value

CMM-TH reported in the field "Gross invoice value" the amount of invoice in Baht

Discount, Rebate, Other charges, Net invoice value, Other discounts

There was no discount, rebate, or other charges shown on invoice. Thus, Net invoice value reported is the same as gross invoice value.

There were no other discounts for domestic sales. Thus the field "Other discounts" is left blank.

DN amount, CN amount

During the IP, there were a few sales with adjustments made after the issuance of invoices.

NON-CONFIDENTIAL VERSION

- [CONFIDENTIAL TEXT DELETED – commercial arrangements with customer]
- [CONFIDENTIAL TEXT DELETED – commercial arrangements with customer]
- [CONFIDENTIAL TEXT DELETED – commercial arrangements with customer]
- [CONFIDENTIAL TEXT DELETED – commercial arrangements with customer]
- [CONFIDENTIAL TEXT DELETED – commercial arrangements with customer]

Net sales value

The field "Net sales value" is the gross invoice amount plus DN amount and CN amount.

Packing

CMM-TH reported the packing cost in Baht under this field. Please refer to the description in the question B-4.

Net sales value

The field "Net sales value" is the gross invoice amount plus DN amount and CN amount.

Packing

CMM-TH reported the packing cost in Baht under this field. Please refer to the description in the question B-4.

Inland transportation

While CMM-TH is able to report actual inland transportation cost of all export shipments to Australia by reviewing all freight invoices, it is impractical within the time allowed to review inland freight invoices and report invoice-specific actual freight cost for more than [CONFIDENTIAL TEXT DELETED] domestic sales invoices. Nevertheless, CMM-TH has attempted to report inland transportation cost incurred on all domestic sales as completely and accurately as possible.

In its normal course of business, CMM-TH accrues inland transportation cost of all sales during each month. For domestic sales, the company compiled the total weight of product shipped out from its factory by customer (i.e., location) during each month. The weight report extracted from its weighbridge system shows, by customer, the total monthly weight shipped by (a) CMM-TH's own trucks, (b) freight sub-contractors, and (c) customer's trucks.

For sales picked by customer, CMM-TH does not accrue freight cost.

For sales shipped by freight companies, CMM-TH calculates the total freight cost by multiplying the freight rate agreed with each freight subcontractor in a given month to the total weight shipped by such subcontractor. It then adds up total freight cost of "all" freight subcontractors who shipped the products to "each" customer. CMM-TH then accrues total freight cost of all freight subcontractors and "all" customers as selling expense at the end of each month.

For sales shipped by its own trucks, CMM-TH first compiles from its GL accounts and aggregates various costs of operating and maintaining its truck fleet belonging to logistic cost centre during each month to calculate the monthly total "actual" trucking cost. It then assigns the market freight rate for each customer (i.e., by route/distance) to the total weight shipped to such customer by its own truck. Summing up the estimated freight revenue (using market freight rate) over all shipments to all customers with its own truck results in the monthly total "standard" trucking cost. CMM-TH allocates the variance between the monthly total actual cost of running its truck fleet and the monthly total standard trucking cost, by value. CMM-TH then transfers the total actual cost of its truck fleet to selling expense.

To report local transportation cost of all domestic sales, CMM-TH added up, by customer, the monthly total accrued freight cost of subcontractors and the monthly total allocated cost of its own truck fleet, both of which are captured as selling expense during each month. It then allocated this total freight cost to all "delivered" sales to each customer during each month. CMM-TH assigns no freight cost to "ex-factory" sales.

Handling & other

NON-CONFIDENTIAL VERSION

[CONFIDENTIAL TEXT DELETED – commercial arrangements with customer]
Warranty expenses and Technical support
 CMM-TH did not incur warranty or technical support expenses.
Commissions
 CMM-TH **[CONFIDENTIAL TEXT DELETED – commercial arrangements with customer]**
Other costs
 There was no other cost incurred by CMM-TH.

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.

ANSWER
 There were no other costs which have not been reported.

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.

ANSWER
 CMM **[CONFIDENTIAL TEXT DELETED – commercial arrangements with customers]** domestic customers. For commission, please refer to the discussion in question D-4 above. For other sales adjustments, please refer to the description of the fields "DN amount" and "CN amount" in question D-4 above.

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.)

NON-CONFIDENTIAL VERSION

Customs and Border Protection will select additional sales for verification at the time of our visit.

ANSWER

The requested documents are provided in Exhibit D-7.

NON-CONFIDENTIAL VERSION

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. Customs and Border Protection 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 Customs and Border Protection 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. Customs and Border Protection 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')

NON-CONFIDENTIAL VERSION

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.

ANSWER

Please see the description of field "Inland transportation" in question B-4 above. CMM-TH reviewed the actual expenses incurred for each export shipment and reported the expenses under this field. Inland transportation expenses incurred on export sales are captured in the following GL Truck Transportation-Logistic (Selling EXP), Barge/Lighter Transportation, and Cargo Insurance premium (i.e., barge in-land transit insurance premium).

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.

ANSWER

Please see the description of field "Handling & other" in question B-4 above. CMM-TH reviewed the actual expenses incurred for each export shipment and reported the expenses under this field. Handling expenses are captured in the following GL accounts:

- Customs Fee & Formality
- Port Charge
- Stevedore (loading charge for bulk cargo shipments)
- Terminal Handling Charge
- Stuffing at Container Freight Station (CFS) for container shipments
- Inspection

NON-CONFIDENTIAL VERSION

3. Credit

The cost of extending credit on export sales is not included in the amounts quantified at question B4. However, Customs and Border Protection 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.

ANSWER

CMM-TH does not have borrowing in AUD. The averaged AUD short-term interest rate of CMM-AU, provided in CMM-AU Importer Questionnaire response, can be used to calculate the credit expense on CMM-TH's export sales to Australia. [CONFIDENTIAL TEXT DELETED - internal group credit and credit terms with customers] should be deducted from the export price of CMM-INTER (reported in CMM-INTER Exporter Questionnaire response).

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'.

ANSWER

Please see the explanation of packing cost in question B-4 above.

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.

ANSWER

As discussed in question B-4 above, CMM-TH [CONFIDENTIAL TEXT DELETED - commercial arrangements with customer] commissions on Australian sales.

NON-CONFIDENTIAL VERSION

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.

ANSWER

CMM-TH did not incur warranties, guarantees, or after-sales service expenses on export sales to Australia.

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.

ANSWER

There was no other cost incurred by CMM-TH. For indirect selling expense, CMM-TH does not separate these expenses by market. Thus, all sales (domestic or export to Australia) incur indirect selling expense at the same ratio. There is thus no need to make adjustment to both domestic and Australian export sales for fair comparison.

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 investigation period (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.

ANSWER

CMM-TH does not claim a currency conversion adjustment for sustained movement.

E-2 Costs associated with domestic sales

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

NON-CONFIDENTIAL VERSION

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.

ANSWER

Quicklime sold in Thailand include [CONFIDENTIAL TEXT DELETED – product coding/types]. For aggregate, price and cost of producing [CONFIDENTIAL TEXT DELETED – product coding/types] are not different. However, price and cost of [CONFIDENTIAL TEXT DELETED – product coding/types] are different and adjustment for difference in these two products should be made to ensure fair comparison.

Cost Difference:

[CONFIDENTIAL TEXT DELETED – product cost accounting] in its accounts, the throughput of these two products are significantly different. CMM-TH has gathered data during the IP from the production records of its grinding mill which includes two grinding machines. The production records show the total quantity of [CONFIDENTIAL TEXT DELETED – product coding/types] produced and the total number of working hours for each grinding machine on each production date. Each machine may produce either [CONFIDENTIAL TEXT DELETED – product coding/types] exclusively or both products on a given day. When a machine produced both [CONFIDENTIAL TEXT DELETED – product coding/types] on a given day, the number of working hours of each product is not available. CMM-TH thus isolated the production data on the days that each machine produced either [CONFIDENTIAL TEXT DELETED – product coding/types] exclusively. Based on this data, the throughput during the IP for [CONFIDENTIAL TEXT DELETED – product coding/types] production are [CONFIDENTIAL TEXT DELETED] and [CONFIDENTIAL TEXT DELETED] MT/hour, respectively. The throughput of [CONFIDENTIAL TEXT DELETED – product coding/types] is [CONFIDENTIAL TEXT DELETED] higher than [CONFIDENTIAL TEXT DELETED – product coding/types]. Because producing [CONFIDENTIAL TEXT DELETED – product coding/types] consuming more machine time, it costs more to produce [CONFIDENTIAL TEXT DELETED – product coding/types]. CMM-TH used the [CONFIDENTIAL TEXT DELETED] throughput ratio to re-allocate the grinding cost of quicklime powder at PBB factory (KD factory only produced [CONFIDENTIAL TEXT DELETED – product coding/types] powder) so that the unit grinding cost of [CONFIDENTIAL TEXT DELETED – product coding/types] is [CONFIDENTIAL TEXT DELETED] times higher than that of [CONFIDENTIAL TEXT DELETED – product coding/types].

First, CMM-TH calculated the ratio of [CONFIDENTIAL TEXT DELETED – product coding/types] production, i.e., [CONFIDENTIAL TEXT DELETED] and [CONFIDENTIAL TEXT DELETED] and applied this ratio to the total quarterly production quantity of the grinding process to derive the quarterly production quantity of [CONFIDENTIAL TEXT DELETED – product coding/types] at PBB factory. Second, CMM-TH reallocated the unit grinding cost of [CONFIDENTIAL TEXT DELETED – product coding/types] using the [CONFIDENTIAL TEXT DELETED] factor. Third, CMM-TH added the total grinding cost of [CONFIDENTIAL TEXT DELETED – product coding/types] produced at KD factory to the total grinding cost of [CONFIDENTIAL TEXT DELETED – product coding/types] at

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PBB factory. CMM-TH then weight averaged the grinding unit cost of [CONFIDENTIAL TEXT DELETED – product coding/types] at both PBB and KD factories.

Please see the above calculation in Exhibit E-2.

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"

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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.

ANSWER

This question is not applicable since CMM-TH received no duty drawback.

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 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.

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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.

ANSWER
[CONFIDENTIAL TEXT DELETED - adjustments] 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, Customs and Border Protection 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:

- the rate, or average of rates, applying on actual short term borrowing's 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

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.

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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.

ANSWER

The averaged Baht short-term interest rate is provided at Exhibit E-2.

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

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.

ANSWER

Please refer to question D-4.

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.

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ANSWER
Please refer to question D-4.

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**".

ANSWER
Please refer to question D-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.

ANSWER
Please refer to question D-4.

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.

ANSWER
Please refer to question D-4.

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:

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- *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*.

ANSWER

Please refer to question D-4.

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 trade differences.

ANSWER

[CONFIDENTIAL TEXT DELETED – adjustments] and no adjustments are duplicative.

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

Your response to this part of the questionnaire may be used by Customs and Border Protection 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. Customs and Border Protection 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"

ANSWER
The requested data are reported in the spreadsheet Exhibit F-1 Third Country.

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

ANSWER
Not applicable since domestic sale in Thailand by CMM-TH is a viable market.

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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 - 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.

ANSWER

CMM-TH owns and operates Tabkwang ("TK") limestone quarry and crushing plant located at Tabkwang subdistrict of Saraburi province. At this quarry, CMM-TH mines limestone rocks and crush them into various sizes. A majority of limestone produced are transferred to and consumed in quicklime facilities and the remaining quantities are sold to customers in both domestic and export markets. Part of small-sized limestone at TK are also transferred to Kangkoi ("KK") limestone dressing plant located nearby TK quarry for further grinding into limestone powder.

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The main quicklime production facility of CMM-TH is located in Prabudhabaht ("PBB") district of Saraburi province. This PBB quicklime factory hosts two gas-fired vertical kilns. Limestone of large or medium size [CONFIDENTIAL TEXT DELETED – product coding/types] transferred from TK quarry are fed into the kilns and heated by natural gas to 1,200 degrees Celsius. After this calcination process, the resulting quicklime in lump form is kept in silos. If PBB factory also hosts one hammer mill where quicklime can be crushed to aggregate size [CONFIDENTIAL TEXT DELETED – product coding/types] and two grinding mills where quicklime can be further ground into quicklime powder of size [CONFIDENTIAL TEXT DELETED – product coding/types] or [CONFIDENTIAL TEXT DELETED – product coding/types].

During the IP, CMM-TH also produced quicklime under a tolling arrangement at another facility in Kangdong ("KD") district of Nakornratchasima province. This KD site hosts one coal-fired rotary kiln. It consumes small-sized limestone [CONFIDENTIAL TEXT DELETED – product coding/types] transferred from TK quarry. The production process (i.e., calcination) is similar to that of PBB kiln except that this kiln is fired by coal. Since KD facility does not have a grind machine, CMM-TH hires a grinding mill located nearby on a tolling basis to further process lump quicklime into powder [CONFIDENTIAL TEXT DELETED – product coding/types].

Lime dust is the only by product generated in the production of quicklime.

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".

ANSWER
 CMM-TH has provided the requested information in the spreadsheet Exhibit G-2 Production.

G-3. Cost accounting practices

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

ANSWER
 CMM-TH calculated cost of production for each of the following processes.
 (1) TK limestone mining and crushing plant – the output from this process includes limestone crushed and screened to various sizes.

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- (2) KK limestone dressing plant – the output from this process includes limestone ground and screened to powder sizes.
 - (3) PBB factory including quicklime kilns, hammer and grinding mills – the output from this factory includes quicklime in lump from the kilns [CONFIDENTIAL TEXT DELETED – product coding/types], quicklime aggregate from hammer mill [CONFIDENTIAL TEXT DELETED – product coding/types] and quicklime powder from grinding mill [CONFIDENTIAL TEXT DELETED – product coding/types].
 - (4) KD external quicklime kiln and grinding mill (both were hired on a tolling arrangement) – the output from this process includes quicklime in lump [CONFIDENTIAL TEXT DELETED – product coding/types] and quicklime powder from the grinding mill [CONFIDENTIAL TEXT DELETED – product coding/types].
- First, CMM-TH calculated the weighted average monthly actual unit cost of production of limestone at TK, the upstream process. It then used this weighted average unit cost to calculate usage cost or raw material at each of the downstream processes (KK, PBB, and KD processes).
- At each process, CMM-TH calculated the weighted average unit cost of beginning inventory and production during each month. It then applied the resulting weighted average unit cost to sales quantity to calculate cost of goods sold during each month and to ending inventory to calculate the value of ending inventory.

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.

ANSWER

CMM-TH applied the standard unit cost of [CONFIDENTIAL TEXT DELETED] Baht/MT for TK limestone, [CONFIDENTIAL TEXT DELETED] Baht/MT for KK limestone powder, and [CONFIDENTIAL TEXT DELETED] Baht/MT for quicklime. However, this standard unit cost was set up merely to allow the inventory system to function (since the system requires a unit cost to track the quantity and cost of each movement of inventory). CMM-TH calculated the actual cost of each process monthly and posted the variance between total actual cost and total standard cost, by process, to the GL. For the purposes of this response, CMM-TH reported the weighted average "actual" unit cost of production of quicklime lump, aggregate, and powder used in its normal course of business.

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

ANSWER

The production cost of quicklime varies significantly depending on the actual cost of energy. However, CMM-TH did not adjust its standard unit cost of quicklime [CONFIDENTIAL TEXT DELETED] Baht/MT throughout the IP. Thus, the variance between actual and standard cost can be significant. Nevertheless, CMM-TH captured and reported the "actual" cost of production by process through its allocation of monthly variance, by process.

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

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ANSWER

Please see Exhibit G-3.

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

ANSWER

As discussed above, direct cost centers include:

- TK limestone mining and crushing plant.
- KK limestone dressing plant.
- PBB factory (including quicklime kilns, hammer and grinding mills), and
- KD external quicklime production process on a tolling arrangement.

Expenses incurred and related to the above direct cost centres are charged directly to each of these cost centres. Common expenses (e.g., expenses of maintenance, purchasing, human resources departments) which cannot be directly attributed to these direct cost centres are allocated to them.

For PBB factory, common expenses are allocated to kilns (i.e., lump quicklime) and further processing facilities (hammer and grinding mills) at certain ratios.

- (1) Common expenses related to manpower cost and fringe benefits were allocated between kilns and further processing facilities at the ratio of [CONFIDENTIAL TEXT DELETED] and [CONFIDENTIAL TEXT DELETED], respectively. These ratios were based on the following statistics during [CONFIDENTIAL TEXT DELETED]:
- (1.1) Maintenance cost of kilns during the above period was [CONFIDENTIAL TEXT DELETED] million Baht or [CONFIDENTIAL TEXT DELETED] of total maintenance cost of PBB factory and maintenance cost of further processing facilities was [CONFIDENTIAL TEXT DELETED] million Baht or [CONFIDENTIAL TEXT DELETED] of total maintenance cost.
 - (1.2) Total headcount of maintenance personnel was [CONFIDENTIAL TEXT DELETED].
 - (1.3) Headcount of employees working directly at kilns and at further processing facilities were [CONFIDENTIAL TEXT DELETED] and [CONFIDENTIAL TEXT DELETED], respectively.
 - (1.4) Headcount of maintenance personnel in (1.2) was allocated to kilns and further processing facilities based on the ratios of maintenance costs in (1.1), i.e., [CONFIDENTIAL TEXT DELETED] persons allocated to kilns and [CONFIDENTIAL TEXT DELETED] persons allocated to further processing facilities.
 - (1.5) The allocated headcount of maintenance personnel were added to the headcount of employees working at kilns (i.e., [CONFIDENTIAL TEXT DELETED] persons) and further processing facilities (i.e., [CONFIDENTIAL TEXT DELETED] persons).
 - (1.6) The cost allocation ratios for kilns and further processing facilities were calculated based on the total number of direct and allocated headcount in (1.5), i.e., [CONFIDENTIAL TEXT DELETED] for kilns and [CONFIDENTIAL TEXT DELETED] for further processing facilities.
- (2) Common expenses which are not manpower-related expenses are allocated between kilns and further processing facilities at the ratio of [CONFIDENTIAL TEXT DELETED] and [CONFIDENTIAL TEXT DELETED], respectively. These ratios were based on manufacturing overheads of these two stages of production in [CONFIDENTIAL TEXT DELETED], i.e., [CONFIDENTIAL TEXT DELETED] and [CONFIDENTIAL TEXT DELETED] million Baht, and used throughout the IP.

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Common expenses allocated to further processing facilities were further allocated between hammer mill (i.e., aggregate quicklime) and grinding mill (i.e., powder quicklime) based on the output of these two processes.

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

ANSWER
 In its normal course of business, CMM-TH calculated the actual cost of production of quicklime separately for three product groups, i.e., lump, aggregate, and powder.

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

ANSWER
 CMM-TH costing accounting is an integrated part of its financial accounting system. The monthly weighted averaged actual unit cost of product available for sale (cost of production and cost of beginning inventory) was used to value cost of goods sold and cost of ending inventory of each month.

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

ANSWER
 There was no start up operation during the IP.

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.

ANSWER
 Not applicable.

G-4 Cost to make and sell on domestic market

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This information is relevant to testing whether domestic sales are in the ordinary course of trade².

1. Please provide 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.

ANSWER

CMM-TH provides actual unit cost to make and sell in Baht/MT of the three models (quicklime lump, aggregate, and powder) during the investigation period, by quarter, in the spreadsheet G-4 Domestic CTMS.

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

	Quarter X	Quarter X	Quarter X	Quarter X
Like domestic model/type – from spreadsheet "like goods"				
Material costs ¹				
Direct labour				
Manufacturing overheads				
Other costs ²				
Total cost to make				
Selling costs				
Administration costs				
Financial costs				
Delivery expenses ³				
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** 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.

If your financial information does not permit you to present information in accordance with this table please present the information in a form that best reflects your financial reporting.

² Customs applies the tests set out in s.269TAAD 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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Please specify unit of currency.

ANSWER

Please see Exhibit G-4 Domestic CTMS.

The "Cost to Make" of the three models shown in the spreadsheet "Domestic CTMS" was taken from the actual cost of manufacturing (excluding packing cost) of these models maintained in the normal course of business. Packing cost of the same product varies significantly whether the product is shipped in bulk or in different types of bags. CMM-TH also reported packing cost for each domestic and export sale under the field "Packing cost". Presenting cost to make, excluding packing, in the spreadsheets "Domestic CTMS" and "Australian CTMS" eliminates the cost difference due to packing in otherwise the same product. For the purposes of sale-below cost analysis, the Customs should deduct packing cost from domestic sale price.

CMM-TH made the following adjustments to the reported cost to make in order to derive the cost to make and sell.

- Direct selling expenses include commissions and delivery expenses (i.e., inland transportation cost and handling cost). These expenses were taken, by model and by quarter, from the spreadsheet "Domestic sales".
- Indirect selling expenses include selling expenses from the GL which are not direct to specific sales (mainly salary and fringe benefits of sales staff), totalling [CONFIDENTIAL TEXT DELETED] Baht. CMM-TH divided this total indirect selling expense during the IP by [CONFIDENTIAL TEXT DELETED] Baht total cost of manufacturing of all products during the IP, shown in the spreadsheet "Turnover", to derive the ratio of [CONFIDENTIAL TEXT DELETED]. CMM-TH then applied this ratio to the cost to make of each model in every quarter.
- Administration costs are general and administrative expenses captured in various GL, totalling [CONFIDENTIAL TEXT DELETED] Baht. CMM-TH offsets other revenue of [CONFIDENTIAL TEXT DELETED] Baht to this total G&A amount to derive the net G&A expense of [CONFIDENTIAL TEXT DELETED] Baht. Dividing the net G&A expense amount by [CONFIDENTIAL TEXT DELETED] Baht total cost of manufacturing of all products during the IP yields G&A ratio of [CONFIDENTIAL TEXT DELETED]. CMM-TH then applies this ratio to the cost to make of each model in every quarter.
- Financial costs include total interest of [CONFIDENTIAL TEXT DELETED] Baht, offset by [CONFIDENTIAL TEXT DELETED] Baht interest income, and [CONFIDENTIAL TEXT DELETED] Baht foreign exchange gain. Dividing the net interest expense by [CONFIDENTIAL TEXT DELETED] Baht total cost of manufacturing of all products during the IP results in the net interest expense of [CONFIDENTIAL TEXT DELETED]. This ratio is applied to the cost to make of each model in every quarter.

CMM-TH notes that the interest income ([CONFIDENTIAL TEXT DELETED] Baht) matches the amount shown in the spreadsheet "Income Statement. The sum of other revenue ([CONFIDENTIAL TEXT DELETED] Baht) and foreign exchange gain ([CONFIDENTIAL TEXT DELETED] Baht) [CONFIDENTIAL TEXT DELETED] Baht reconciles to Extraordinary gains/losses shown in "Income Statement".

G-5 Cost to make and sell 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				

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"like goods"				
Material costs ¹				
Direct labour				
Manufacturing overheads				
Other costs ²				
Total cost to make				
Selling costs				
Administration costs				
Financial costs				
Delivery expenses ³				
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 investigation period.

If your financial information does not permit you to present information in accordance with this table please present the information in a form that best reflects your financial reporting.

Please specify unit of currency.

- 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.

ANSWER

Please see Exhibit G-5 Australian CTMS.

Because CMM-TH [CONFIDENTIAL TEXT DELETED – types of exported goods], it provides actual unit cost to make and sell in Bah/MT of the [CONFIDENTIAL TEXT DELETED – types of exported goods] during the investigation period, by quarter, in the spreadsheet "Australian CTMS". As discussed in question E-2.1 above, [CONFIDENTIAL TEXT DELETED – types of exported goods and goods sold domestically]. Please refer to question E-2.1 for cost differences and supporting evidence.

- 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.

NON-CONFIDENTIAL VERSION

ANSWER

As discussed above, the reported cost to make was taken from the actual cost of manufacturing (excluding packing cost) of these models maintained in the normal course of business.

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.

ANSWER

Please refer to the discussion in G-4.2 above regarding the reporting of commissions and delivery expenses and the allocation of indirect selling expenses, administrative costs, and financial costs. For delivery expenses, CMM-TH reported inland transportation and handling charges. CMM-TH also added ocean freight and marine insurance for a few sales during the beginning of IP which were made to CMM-AU on a CIF basis.

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 Customs and Border Protection 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.

If the major input is purchased from an integrated production process you should provide detailed information on the full costs of production of that input.

NON-CONFIDENTIAL VERSION

ANSWER

CMM-TH produces limestone internally. All other major inputs (i.e., natural gas and coal) are purchased from unaffiliated suppliers.

NON-CONFIDENTIAL VERSION

SECTION H - EXPORTER'S DECLARATION

E I hereby declare that the information furnished herein is true and correct during the period of investigation of the goods under customs control and that I have taken all the precautions necessary to ensure that the information furnished is true and correct. I understand the consequences of the falsification of this information and I am aware of the penalties provided by law.

I hereby declare that... (The text is partially obscured and difficult to read, but appears to be a continuation of the declaration.)

Name : **Srinivas Thiruvethuram**

Signature : *Srinivas Thiruvethuram*

Position in

Company : **Director**

Date : **December 21, 2011**

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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"/>

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