

GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

File No. DG (V)/Val.Rev/510/2016

Dated: 21<sup>st</sup> November, 2016

**Order in Revision No. 267/2016 under section 25-D of the Customs Act, 1969  
against Valuation Ruling No.836/2016 dated 19-04-2016**

- i. This copy is granted free of charge for the private use of the person to whom it is issued.
- ii. An appeal against this Order-in-Revision lies to the Appellate Tribunal, Customs having jurisdiction, under section 194-A of the Customs Act, 1969, within stipulated period as prescribed under the law. An appeal should bear a court fee stamp of Rs.1000/- (Rupees one thousand) only as prescribed under schedule-II item 22 of the Court Fee Act, 1870 and must be accompanied by a copy of this Order.
- iii. An extra copy of appeal, if filed, should simultaneously be sent to this office for information and record.
- iv. If an appeal is filed, the appellant should state whether he desires to be heard in person or through an advocate.

M/s Amina Enterprises & Others ..... PETITIONERS

VERSUS

Director, Customs Valuation, Karachi ..... RESPONDENT

Date(s) of hearing 13-06-2016 & 13-07-2016

For the Petitioners Mr.Sikandar Ismail  
Mr. Farhan Farooqi

For the Respondent Mr. Abdul Majeed, Assistant Director  
Mr. Ashfaq Ahmad Khan, Principal Appraiser



This revision petition was filed under section 25-D of the Customs Act, 1969 against customs value determined vide Valuation Ruling No.836/2016 dated 19-04-2016 issued under section 25-A of the Customs Act, 1969, inter alia, on the following facts and grounds:

2. We wish to introduce ourselves as company representing importers of used clothing from Korea. At first we are grateful to you for your consideration of revising downward valuation of used clothing from all countries but regrettably Korea used clothing valuation has been singled out without any justification and we strongly request you to kindly review valuation of Korea used clothing in par with other countries and we submit as follows:

- i. All reasons mentioned in above ruling 836/2016 for revision of valuation equally apply to Korean second hand clothing.

- ii. Raw material prices in USA/Japan and other countries dropped by more than 50% and likewise in Korea, raw material prices are also dropped by more than 50%.
- iii. Wages in USA/Japan and other countries are much higher than in Korea and we see no reason for keeping Korean used clothing valuation higher as compare to other countries.
- iv. Ocean freight from USA for 40' feet container vary between US\$ 1500 to US\$ 2500 depending on its location whereas ocean freight from Korea to Karachi is US\$ 1600, thus again no justification for higher value of the Korean used clothing.
- v. As the point was raised during the association meeting that invoices obtained by your department showing higher value of used clothing from Korea which is again may not be correct as those are summer items which Pakistan market cannot afford to buy as we import over 90% of container consists of winter items which are available at cheap prices and we hereby enclosed two invoices of the suppliers from Korea showing exact value of the unit prices.

3. Under the above circumstances, we request you to kindly review the value of Korea used clothing at par with other all countries as valuation has been increased by 5 cents per kg which were applicable before the valuation ruling No.762/2015 dated 18-09-2015, thus we request you to please set up new prices at US\$ 0.50/kg (as previous valuation was US\$ 0.45/Kg). We hope that full justification will be granted to the importers of Korean second hand clothing and we look forward for your positive response.

4. The respondent department was asked to furnish comments to the arguments submitted by the petitioner in the case. Pare-wise comments on the petition are given as under:

PARAWISE COMMENTS

5. It is submitted that in the previous valuation ruling the determined customs values of second hand worn clothing of Korea origin was determined at US\$ 0.70/Kg which has been revised downwards at US\$ 0.62/Kg. The claim of the petitioner is not justified as the consignments are being cleared on the determined Customs values.

PRAYER

6. It is respectfully submitted that the customs values have been determined after following the valuation methods as envisaged under Section 25 read with Section 25A of the Customs Act, 1969 and consignments are being cleared on the determined customs values, hence, petition may be rejected accordingly.

ORDER

7. I have gone through the case. Mr. Sikandar Ismail and Mr.Farhan Farooqui appeared for hearing and stated the same arguments as advanced in their petitions.

8. The Indian import data shows actual import value of second hand clothing from Korea between \$ 0.94 to \$ 1.35/kg and from USA from \$ 0.49 to \$ 0.93/kg. Similarly same values have been ascertained from other international websites. The values on Zauba website (Indian imports data) is also taken into consideration. Keeping above in view, the values are fixed at 14% higher than the previous values fixed in the Valuation Ruling, under section 25A of the Customs Act, 1969.

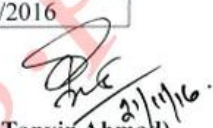
S No.	Description of Goods	PCT	Proposed PCT for WeBOC	Origin	Customs values (C&F) USS/kg				
1	2	3	4	5	6				
01	Second Hand Worn Clothing	6309.0000	6309.0000.1000	South Korea	0.71				
				USA, Canada, New-Zealand, Australia, Japan & Europe	0.40				
				China	0.51				
				UAE & Gulf	0.46				
				Other origins	0.46				
02	Second Hand Leather Bags, Jackets and Belts	4202.1210 4202.1220 4202.1290 4202.2100 4202.2200 4202.2900 4203.1010 4203.1090 4203.3000	4202.1210.1000 4202.1220.1000 4202.1290.1000 4202.2100.1000 4202.2200.1000 4202.2900.1000 4203.1010.1000 4203.1090.1000 4203.3000.1000	South Korea	0.98				
				USA, Canada, New-Zealand, Australia, Japan & Europe	0.98				
				China	0.92				
				UAE & Gulf	0.80				
				Other origins	0.74				
				03	Second Hand Shoes	6309.0000	6309.0000.3000	South Korea	1.03
								USA, Canada, New-Zealand, Australia, Japan & Europe	0.80
								China	0.80
UAE & Gulf	0.80								
Other origins	0.92								
04	Second Hand Toys	9503.0090	9503.0090.1000	South Korea	1.09				
				USA, Canada, New-Zealand, Australia, Japan & Europe	1.09				
				China	0.86				
				UAE & Gulf	0.86				
				Other origins	0.86				
05	Used Kitchen Wares	7323.9900	7323.9900	South Korea	0.86				
				USA, Canada, New-Zealand, Australia, Japan	0.86				



				& Europe	
				China	0.80
				UAE & Gulf	0.86
				Other origins	0.75

9. Being identical on facts and law point, this order shall apply mutatis mutandis to the following (03) petition.

S#	Petitioner' Name	File No.
1	M/s Farooqui Brothers	DG(V)Val.Rev/508 /2016
2	M/s Zubair Brothers	DG(V)Val.Rev/507/2016
3	M/s Uzair Brothers	DG(V)Val.Rev/509/2016

  
(Syed Tanvir Ahmad)  
Director General

Registered copy to:

M/s. Amina Enterprises,  
25, Hoor Centre, North Napier Road,  
Karachi.

M/s Farooqui Brothers  
Dewan House, Methai Lane, Chabba Street, Karachi.

M/s Zubair Brothers,  
Dewan House, 155 – Nappier Road, Karachi

M/s Uzair Brothers,  
Dewan House, Methaie Lane, Chabba Street, Karachi

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1. Member (Customs), FBR, Islamabad.
2. Chief Collectors Customs Appraisement (South)/Enforcement, Karachi/  
(North) Islamabad/(Central) Lahore.
3. Collector, MCC Appraisement (East)/ Appraisement (West)/Port M. Bin Qasim/  
Preventive, Karachi.
4. Collector, MCC, Appraisement/Preventive, Lahore/Quetta/Peshawar/Faisalabad/  
Sambrial/Multan/Hyderabad/Islamabad/Gilgit-Baltistan/Gawadar.
5. Director, Customs Valuation, Karachi/Lahore.
6. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi for uploading  
in One-Customs and WeBOC database.
7. Asstt. Director (Review), Karachi.
8. All Deputy/Assistant Directors (Valuation)
9. Guard File.