



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

\*\*\*\*\*

The Collectors of Customs, Model Customs Collectorates, Appraisement (East / West) / Port Qasim / Preventive, Karachi / Lahore ( Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan/ Exports ( Karachi/ Port Qasim) .

**Determination of Customs Values of Synthetic Rubber "SBR" & "NBR" Under Section 25-A of the Customs Act, 1969**

(VALUATION RULING NO. <sup>1091</sup> /2017)

No.Misc/03/2013-III

1762

Dated: March 18<sup>th</sup>, 2017

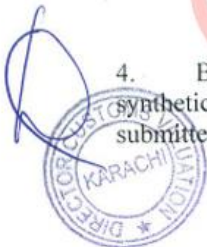
In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Synthetic Rubber "SBR" & "NBR" are determined as follows : -

2. **Background of the valuation issue:** Customs value of Synthetic Rubber (SBR & NBR) were determined vide Valuation Ruling No.912/2016 dated 22.08.2016. An upward trend in the international prices of subject commodity was noticed, therefore, an exercise was undertaken to re-determine the customs value of the subject goods afresh under Section 25A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** A Meeting with stakeholders was held on 17.03.2017 which was attended by commercial importers as well as local manufacturers of Tyres. All the participants had been requested to submit the following documents so that correct customs value could be determined:-

- i) Copy of G.D & invoices of imports during last three months showing factual value.
- ii) Website names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii) Copy of Contract or any other document through which price has been finalized with the supplier of the goods.
- iv) Copy of L/Cs and contract made during the last three months showing the values of the item in question.
- v) Copy of Sales Tax invoices issued during last four months showing the difference in price passed on the local buyer.

4. Both commercial importers and manufacturers of Tyres concurred that the prices of synthetic rubber had increased in the international market. No requisitioned documents were submitted by any of the stakeholders.



5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed. Transaction value method provided in Section 25 (1) was found inapplicable because the requisite information was not available as per law. Identical / similar goods value methods provided in Section 25(5) & (6) were examined which provides some reference values but not found helpful in determination of values due to variation in values. Market enquiry as envisaged under Section 25(7) of the Customs Act, 1969, could yield no results because the subject goods are industrial item. Online values were also checked. Since the manufacturers' costs and raw material prices of producing the goods in question in the country of exportation were not available, computed value method as provided in Section 25(8) could not be applied for valuation of the aforesaid goods. All the information so gathered was evaluated and consequently, reliance was placed upon Sub-Section (9) of Section 25 of the Customs Act, 1969, and customs values of Synthetic Rubber (SBR & NBR) were determined under Section 25(9) of the Customs Act, 1969.

6. **Customs values for Synthetic Rubber (SBR & NBR):** Synthetic Rubber (SBR & NBR) *hereinafter specified* shall be assessed to duty/taxes at the following values: -

S.No	Description of goods	PCT Heading	Proposed PCT for WeBOC	Origin	Customs Value (C&F) USS / Kg
(1)	(2)	(3)	(4)	(5)	(6)
01	Synthetic Rubber (SBR)	4002.1900	4002.1900.1000	Korea, India, China, Taiwan, Brazil, Indonesia, Thailand, UAE, Iran & Russia	2.00
			4002.1900.1100	Other Origins	2.25
02	Synthetic Rubber (NBR)	4002.5900	4002.5900.1000	Korea, China, Taiwan, Indonesia & Thailand	2.50
			4002.5900.1100	Other Origins	2.75

7. In cases where declared / transaction values are higher than the Customs values determined in this Ruling, the assessing officers shall apply those values in terms of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account air freight while applying the Customs values determined in this Ruling.



8. **Validity of Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs value for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Sections (1) or (3) of Section 25-A of the Customs Act, 1969.

9. **Revision of the value determined vide this Valuation Ruling:** A revision petition may be filed against this Ruling, as provided under Section 25-D of the Customs Act, 1969, within 30 days from the date of issue, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

10. The Collectors of Customs may kindly ensure that the values given in this Valuation Ruling for the given description of goods are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of this Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned in the table above of this Ruling. HS Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.

11. *This ruling supersedes Valuation Ruling No.912/2016, dated 22.08.2016.*

  
(Dr. Wasif Ali Memon)  
Director

Copy for information to :-

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1<sup>st</sup> Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading