



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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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.

**Determination of Customs Values of Empty Plastic Bottles.**

**under Section 25-A of the Customs Act, 1969**

No. Misc/ 07 /2017-II

11078

Dated: 17/04-2017

(VALUATION RULING NO. 1129/2017)

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Empty Plastic Bottles are determined as follows :-

2. **Background of the valuation issue:** The customs values of Empty Plastic Bottles were earlier determined vide VDB No.107/2016 dated, 30-11-2016. Representations were received from commercial importers, for determination of customs value of Empty Plastic Bottles afresh.

3. **Stakeholders' participation in determination of Customs values:** Meeting with all the stakeholders including importers and representatives from clearance Collectorates, was held on 03-03-2017 to discuss the current international prices of the subject item. The commercial importers stated that these are different types of Bottles ie, Food grade, Cosmetics grade they requested to determine the Customs Values by considering end use of Bottles and prices of raw material. The view point of all participants was heard in detail and considered to arrive at Customs value of Empty Plastic Bottles.

4. **Method adopted to determine Customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly applied in their regular sequential order to address the particular valuation issue at hand. The transaction value method as provided in Sub-Section (1) of Section 25, found inapplicable in light of the wide variety of invoices submitted at import stage the veracity of which could not be ascertained fully, hence requisite information required under law was not available to arrive at the correct transaction value. Identical / similar goods value method provided vide Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to determine Customs value of subject goods, this data provided some references, however, it was found that the same cannot be solely relied upon due to the absence of absolute demonstrable evidence of qualities, and quantities of commercial level etc., and also it was observed that importers usually provided misleading description while declaring goods, as other types and varieties of similar goods to avoid the application of valuation ruling. Information available was, hence, found inappropriate. In line with the statutory sequential order of Section 25, this office then conducted a market inquiry using Deductive Value Method under Sub-Section (7) of the Section 25 of the Customs Act, 1969, however, it was found that the determination of Customs value could not be based



solely upon this method either. Therefore, valuation method provided vide Section 25 (8) of Customs Act 1969, could not be applied as the conversion cost from constituent materials and allied expenses, at country of export were are not available. Finally, PRAL database, market information and international prices through Web were examined thoroughly. All the information so gathered was analyzed for determination of Customs Value of the subject items. Consequently, the Fall Back Method as provided under section 25(9) of the Customs Act, 1969 was applied to arrive assessable customs values of the Empty Plastic Bottles. .

5. **Customs values for Empty Plastic Bottles:** *Empty Plastic Bottles hereinafter specified* shall be assessed to duty/taxes at the following Customs Values :-

S. No	Description of goods	PCT Code	Proposed PCT for WEOC	Origin	Customs Values (C&F) USS/KG
1.	Empty Plastic Bottles (Food Grade)	3923.3010	3923.3010.1000	China	3.05
		3926.9099	3926.9099.1000		
2	Empty Plastic Bottles for Cosmetics packing	3923.3010	3923.3010.1000	China	2.85
		3926.9099	3926.9099.1000		

*Note. Empty plastic Bottles of Pharmaceutical grade have been excluded due to higher variation of values. Collectorates are requested to assess under section 25 of Custom Act 1969.*

6. 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 Sub-Section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account the differential between air freight and sea freight while applying the Customs values determined in this Ruling. The Custom values determined in the Valuation Ruling are for the descriptions and specifications as mentioned herein, HS Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to the assessing officers. The assessment shall be finalized in the correct classifications after fulfilling requisite formalities relating to importability or other certifications required thereon.

7. **Validity of this 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.

8. **Revision of the value determined vide this Valuation Ruling:** This Valuation Ruling is appealable under the law and a revision petition may be filed against this Ruling, under Section 25-D of the Customs Act, 1969, within 30 days from the date of issue of this ruling before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.





9. The Collectors of Customs may kindly ensure that the values given in the 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 Directorate General immediately.

10. ***This Ruling supersedes Valuation data base no.107/2016 dated, 30.11-2016.***

**(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 in One Customs & We BOC data base system and deleting *Valuation data base no.107/2016 dated, 30-11-2016.*
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7<sup>th</sup> Floor, Custom House, Karachi / MCC, Appraisalment, 1<sup>st</sup> Floor, Custom House, Karachi.
21. Guard File.

**(Dr. Wasif Ali Memon)**  
**Director**