



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.

DETERMINATION OF CUSTOMS VALUES OF IRON PAD LOCK UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1144 / 2017)

No. Misc/04/2011-VI

Dated 02-05-2017

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of, Iron Pad Lock are determined as follows :-

2. **Description of the valuation issue:** Customs value of Iron Pad Lock was determined vide Valuation Ruling No. 593/2013 dated 01-10-2013. An exercise to re-determine the Customs value of the said goods under Section 25-A of the Customs Act, 1969 was initiated to reflect their current international price trend.

3. **Stakeholders' participation in determination of Customs values:** Two meetings with all stakeholders were scheduled on 19-04-2017 & 02-05-2017, importer attended both the meetings despite invited twice. All the stakeholders were requested to submit the following documents so that correct customs values could be determined :-

- Invoices of imports during last three months showing factual value.
- Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.

4. The importers were of the view that values of padlocks determined in the earlier valuation ruling are on high rise as per prevailing international prices therefore values may be decreased, however, no any documents were not submitted by them for determination of customs value of iron pad lock in support of their contention.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were applied sequentially to address the valuation issue at hand. Transaction Value Method under sub-section (1) of Section 25 of the Act ibid was found inapplicable because required information under the law was not available. Identical and Similar Goods valuation methods provided in sub-sections (5) and (6) of Section 25 of the Customs Act, 1969 provided some reference values but due to wide variations in the declarations the same could not be relied upon exclusively. In the sequential order this office also conducted market inquiries in terms of sub-section (7) of Section 25 of the Customs Act, 1969. Input and feed back by the Stakeholder during meetings was also considered. Online available information was also checked. All the available information was analyzed and



evaluated. Keeping all the above in view, customs values of Iron Pad Lock are determined under sub-section (9) of Section 25 of the Customs Act, 1969.

6. **Customs values for Iron Pad Lock:** Iron Pad Lock *hereinafter* specified shall be assessed to duty / taxes at the following customs values:-

S.No.	Description	Specification (Weight per Piece)	H.S. Code	Proposed PCT for WEOC	Origin	Customs Value (C&F) USS/kg
(1)	(2)		(3)	(4)	(5)	(6)
01.	Iron Pad Lock along with Keys	Upto 50 Grams	8301.1000	8301.1000.1100	China	4.53
		From 51 Gram To 81 Grams				2.96
		Above 81 Grams				2.20

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 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.

8. **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.

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 of this ruling, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

10. 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. Customs values determined in the ruling are for the description and specification as mentioned herein. PCT Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible to the assessing officer. 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. 593/2013 dated 01-10-2013**

(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 (Appraisement), Custom House, Karachi.