



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorate, 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 STAINLESS STEEL
SHEETS/COILS/CIRCLES (SECONDARY QUALITY) UNDER SECTION 25-A OF
THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1194/2017)

No. Misc/27/2010-III-VI

Dated: 26 07-2017

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, customs values of Stainless Steel Sheets/ Coils/ Circles (Secondary Quality) are determined as follows:-

2. **Background of the valuation issue:** Customs values of Stainless Steel Sheets / Coils/ Circles (Secondary Quality) were determined vide **Valuation Ruling No. 773/2015, dated 27-11-2015**. The valuation ruling is more than one year old and LMB prices of stainless steel has shown an upward trend in international market. Therefore this Directorate General initiated an exercise to determine the customs values of Stainless Steel Sheets/ Coils/ Circles (Secondary Quality) under section 25A of the Customs Act 1969 in order to bring them in line with current price trend in the international market.

3. **Stakeholders' participation in determination of customs values:** Meetings were held on 08.03.2017, 28.03.2017 05.04.2017 and 25.07.2017 with representatives from All Pakistan Stainless Steel Importers and Traders Association and other importers insisted that 15% discount of secondary quality was low, They further informed that in Valuation Ruling No. 291/2011 dated 24.01.2011, Department had allowed 40% discount on account of secondary quality in Stainless Steel Sheets/ Coils/ Circles from prime quality stainless steel sheets/ circles/coils . Their stance for increase in discount on account of secondary quality form 15% to 40% was not acceptable being inconsistent with other iron and steel related items /products of secondary quality and the importers could not provide any tangible grounds in favour of their contention . After deliberation it was agreed with consensus that the fresh Valuation Ruling of Stainless Steel Sheets/ Coils/ Circles (Secondary Quality) 300 series and 200 series should be based on current LMB prices of stainless steel with previous practice / formula as enumerated in the previous valuation ruling No. **773/2015, dated 27-11-2015**. which included 10% loading on account of thinner size, 37% discount upon value of 300 Series stainless steel for determining value of 200 Series Stainless Steel, a loading of 15% for Japan origin, 5% and 10% discounts for India and China origins respectively; with 15% discount for secondary quality. The values for 400 Series Stainless Steel shall be determined from Chinese Domestic LMB 430 Series value, by deducting local taxes.

4. **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 Stakeholders during meetings was also considered. Online LMB prices were also obtained. All the available information was analyzed and evaluated. Keeping all the above in view, customs values of Stainless Steel Sheets/ Coils/ Circles (Secondary Quality) are determined under sub-section (9) of Section 25 of the Customs Act, 1969.



5. **Customs values for Stainless Steel Sheets/ Coils/ Circles (Secondary Quality):** Customs Values for Stainless Steel Sheets/ Coils/ Circles (Secondary Quality) *hereinafter specified* shall be assessed to duty / taxes at the following customs values:-

S.No	Description of Goods	Origin	Customs Value US\$/kg	H.S. Code	Proposed PCT for WEOC						
(1)	(2)	(5)	(6)	(3)	(4)						
01.	Stainless Steel Sheets/ Coils/ Circles AISI-200 Series (Secondary Quality)	Japan/ Europe	1.30	7219.1100 7219.1200	7219.1100.1000 7219.1200.1000						
		India	1.10	7219.1300	7219.1300.1000						
		China	1.01	7219.1400 7219.2100	7219.1400.1000 7219.2100.1000						
		Other origins excluding Japan, Europe, India &China	1.15	7219.2200 7219.2310 7219.2390 7219.2410 7219.2490 7219.3100 7219.3210	7219.2200.1000 7219.2310.1000 7219.2390.1000 7219.2410.1000 7219.2490.1000 7219.3100.1000 7219.3210.1000						
			02.	Stainless Steel Sheets/ Coils/ Circles AISI-300 Series (Secondary Quality)	Japan /Europe	2.10	7219.3290 7219.3310 7219.3390	7219.3290.1000 7219.3310.1000 7219.3390.1000			
					China	1.62	7219.3410 7219.3490	7219.3410.1000 7219.3490.1000			
					Other origins excluding Japan, Europe, & China	1.84	7219.3510 7219.3590 7219.9010 7219.9090 7220.1100 7220.1210 7220.1290	7219.3510.1000 7219.3590.1000 7219.9010.1000 7219.9090.1000 7220.1100.1000 7220.1210.1000 7220.1290.1000			
						03.	Stainless Steel Sheets/ Coils/ Circles AISI-400 Series (Secondary Quality)	Japan/ Europe	1.15	7220.2010 7220.2020	7220.2010.1000 7220.2020.1000
								China	0.88	7220.2090 7220.9010 7220.9090	7220.2090.1000 7220.9010.1000 7220.9090.1000
								Other origins excluding Japan, Europe &China	1.00		

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.

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:** 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.



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. 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.

10. *This ruling supersedes Valuation Ruling No. 773/2015 dated 27.11.2015.*

(Dr. Wasif Ali Memon)
Director

Copy for information to:-

1. Member (Customs), FBR, 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), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
9. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Lahore.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/Peshawar/Faisalabad.
12. Director, Directorate of Customs Valuation (Regional Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system and deleting Valuation Ruling No.773/2015 dated 27.11.2015 on the date of issue of this Valuation Ruling.
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, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st Floor, Custom House, Karachi.
21. Guard File.