



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

RULING U/S 25-A NO. 400

No. Misc/44/2007-VI

Dated 25-11-2011

Note:

- i) The customs value determined under this Valuation Ruling shall be applicable customs value for assessment of the relevant goods until and unless revised or rescinded by the competent authority.
- ii) Review application against this valuation ruling may be filed before the Director-General of Valuation under Section 25D of the Customs Act, 1969, within thirty (30) days from the date of determination of customs value under this ruling.

The Collectors of Customs, Model Customs Collectorate, (Appraisement/ PaCCS/Port Qasim/Preventive), Karachi/ Lahore/Sambrial (Sialkot)/Faisalabad/ Multan/Islamabad/ Hyderabad/ Quetta/ Peshawar.

SUBJECT: DETERMINATION OF CUSTOMS VALUE OF RING TRAVELLERS UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.



Earlier Valuation Ruling bearing determining the customs value of ring travellers was issued in terms of section 25A of the Customs Act, 1969, vide No. Misc/44/2007-VI, dated 21-03-2011. However, ever since its issuance the said ruling was vehemently contested by importers namely M/s.M.S.Traders, Faisalabad, M/s.3A, Lahore, M/s.Dawood Mill Store, Lahore, M/s.Fatima Enterprises, Lahore, M/s.Techno Textile, Lahore and M/s.P.S. Textile Corporation, Lahore, on the ground that the determined Customs Values were arbitrary and unrealistically higher, which was damaging genuine import of the subject goods. Several written representations of the subject were received wherein downward revision of earlier determined values was pleaded, for ring travelers of Indian origin value @ US\$ 25/Kg. to US\$ 35/Kg. was suggested whereas for Germany and Japan origin values @ US\$ 40/kg. @ US\$ 49/Kg, respectively were pleaded by the importers.

2. In view of a string of representations on the issue, meeting with all stakeholders was held on 08-09-2011, wherein the importers, except Switzerland origin, agitated that the determined value is almost 100% higher than actual values currently prevalent in the international market, further that due to imposition of sales tax on the subject goods and high cost of doing business, import and subsequent supply of ring traveler on the earlier

determined values was no more competitive. The second meeting on the issue was scheduled for 08-10-2011, wherein the stakeholders submitted written submissions requesting to consider their contention being on merit and due to the fact that due to very nature of business there was no hidden cost involved on import of ring travellers. However, the importers of Swiss origin goods were of the view that the values determined vide the existing ruling for goods of said origin were fair and may not be revised to the extent of their origin.

3. The written as well as verbal submissions of the importers have been examined. Scrutiny of import data, of the relevant period, in terms of Section 25(1) of the Customs Act, 1969, revealed it to be suffering from the infirmities of unreasonable variation in declared value within the same origin and could not be reliably adopted for fair value determination under Section 25(5) & (6) of the Act. Similarly, the declared values for the relevant period were not found to corroborate to the values given in the local price list of goods which were provided by the importers themselves and accordingly to them the provided price lists were openly verifiable. In the wake of these facts determination of customs value in terms of Section 25(5) & Section 25(6) could not be carried out. Accordingly, the next valuation methods, i.e. Deductive Method, was adopted in terms of section 25(7) of the Act, and based on the same, following customs values have been determined:-

S.No.	Description of Goods	H.S. Code	Origin	Customs Value
(1)	(2)	(3)	(4)	(5)
01.	Ring Travellers Assorted Types / Sizes	8448.3310	Switzerland	US\$108.00/KG
02.	Ring Travellers Assorted Types / Sizes	8448.3310	Japan	US\$69.00/KG
03.	Ring Travellers Assorted Types / Sizes	8448.3310	Germany	US\$67.00/KG
04.	Ring Travellers Assorted Types / Sizes	8448.3310	India	US\$53.00/KG

4. The aforesaid values are determined under Section 25A of the Customs Act, 1969, for implementation. All the clearance Collectors are advised to ensure the assessment of the goods as per above determined values. However, if the invoice value is higher than the value in this ruling, then such higher value shall be adopted for assessment purpose in terms of Section 25 of the Customs Act, 1969.

Muhammad Faheem
(MUHAMMAD FAHEEM)
DIRECTOR