



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

To,

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

DETERMINATION OF CUSTOMS VALUES OF METAL SCRAP
UNDER SECTION 25-A OF CUSTOMS ACT, 1969.

(VALUATION RULING NO. 472 / 2012)

No. Misc/03/2012-VI

Dated: 25-09-2012

In exercise of the powers conferred under section 25-A of the Customs Act, 1969, the customs values of metal scrap are determined as follows:-

1. Description of the valuation issue Complaints were received in the Directorate General of Customs Valuation, Karachi that, in the absence of any valuation ruling, importers of different types of metal scraps were indulging in undervaluation of scrap items causing massive revenue losses. This prompted an exercise to determine the customs values of metal scrap items.
2. Methodology adopted to determine customs values Valuation methods given in section 25 of the Customs Act, 1969 were examined to ascertain which methods were applicable to the valuation issue in hand in terms of section 25A (1) of the Act. Transactional value method provided in section 25(1) was found inapplicable because sufficient information with respect to adjustments to be made to the transactional value in terms of section 25(2) was not available. Identical / similar goods value methods provided in section 25 (5) & (6) were examined for applicability to the valuation issue in the instant case. These methods furnished unreliable values and were not found applicable. Deductive Value Method was therefore the methodology adopted to determine customs values for metal scrap in this case.
3. Evidence used to determine customs values A market survey was conducted and the evidence furnished by the application of Deductive Value Method was used to determine the following customs values for metal scrap.



4. Customs values determined. Metal scrap of different types hereinabove specified and imported from *any origin* shall be assessed to duty / taxes on the customs values mentioned against them in the table below:

S. No.	Description of goods	PCT	Customs Values (US\$ per ton)
1	Aluminum Cable Cutting Scrap	7602.0090	600
2	Aluminum ASCR Scrap	7602.0090	750
3	Aluminum Mixed Scrap (Sheet Cuttings, Broken Utensils, pressed or loose)	7602.0090	1000
4	Aluminum Bottle Caps Scrap	7602.0090	800
5	Aluminum Window / Door Cutting Scrap	7602.0090	1100
6	Aluminum Sandwich sheet Scrap	7602.0090	650
7	Copper Insulated Cable Scrap	7404.0000 7404.0900	650
8	Compressor Scrap	7204.4990	550



- Scrap with different description may be assessed by determining value on proportional basis.

Validity of this Valuation Ruling: The customs values determined in this Ruling shall continue to be the applicable customs values for the aforementioned goods till the time this Valuation Ruling is rescinded or revised by the competent authority in terms of section 25A of the Customs Act, 1969. Moreover, this Valuation Ruling applies to cases where declared values are less than the customs values determined in the Ruling. In cases where declared values are more than the customs values determined in the Ruling, concerned assessing officer shall apply such higher values in terms of section 25(1) of the Customs Act, 1969.

6. Remedies against this Valuation Ruling. The Customs Act, 1969 provides efficacious alternate remedies against this Ruling. Section 25-D provides that any person aggrieved of the Ruling may file a revision petition within 30 days from the date of this Ruling before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi. An appeal against the decision in revision of the Director General can be filed within 60 days of the decision before the Customs Appellant Tribunal, under section 194-A (1) (e) of the Customs Act, 1969.


(Dr. Zulfqar Ahmad Malik)
Director

Copy for information to:-

- (1) S.A TO Chairman, F.B.R., Islamabad.
- (2) Member (Customs), F.B.R., Islamabad.
- (3) Chief Collectors of Customs (South), Custom House, Karachi.
- (4) Chief Collectors of Customs (North), Custom House, Islamabad.
- (5) Director General, Intelligence and Investigation, Islamabad.
- (6) Director General, Post Clearance Audit, Islamabad.
- (7) Director General Internal Audit, (Customs), Islamabad.
- (8) Director General, Customs Valuation, Custom House, Karachi.
- (9) Director, Intelligence and Investigation, Karachi / Lahore / Islamabad.
- (10) The Project Director WeboC, 11th Floor, Custom House, Karachi.
- (11) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi for uploading in One Customs & WeboC database on the date of issue of this ruling.
- (12) Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- (13) Chairman (Valuation Committee), KCC&I, Aiwan-e-Tijarat Road, Karachi.
- (14) Karachi Customs Agents Group, Bohri Road, Karachi.
- (15) Guard File.