



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

To,

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

DETERMINATION OF CUSTOMS VALUE OF STEARIC ACID
UNDER SECTION 25-A OF CUSTOMS ACT, 1969

(VALUATION RULING NO. 534/2013)

No.I/124/2008-II

Dated: 08-01-2013

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the customs Values of Stearic Acid are determined as follows :-

1. **Description of the valuation issue -** Since the earlier customs values of Stearic Acid were determined about one year ago through Valuation Ruling No.415, dated 19.01.2012, re-determination of customs values of these goods was deemed necessary to reflect the current price trend of these goods in the international markets. This prompted an exercise to re-determine the customs values of these goods.
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) and (6) were examined for applicability to the valuation issue in the instant case. These methods furnished unreliable values and were not found applicable. Since the manufacturers costs of producing the goods in question in the country of exportation were not available; Computed Value Method as provided in Section 25(8) could not be applied for valuation of the aforesaid goods. Therefore, Deductive Value Method under section 25(7) of the Customs Act, 1969 was applied to arrive at customs values of Stearic Acid.



3. **Evidence used to determine customs values** - Meeting was held with the stakeholders on 21.12.2012 to ascertain any evidence to determine prevailing prices of Stearic Acid in the international markets. Deductive method as envisaged under section 25(7) was used to determine the following customs values for Aerosol Insecticide Spray.
4. **Customs values for Stearic Acid** - The Stearic Acid of all origins shall be assessed to duty / taxes on the customs values given against them in the table below :-

S. No.	Description of goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values
(1)	(2)	(4)	(5)	(6)	(7)
	Stearic Acid	3823.1100	3823.1100.1000		
1	Stearic Acid (Single pressed)	3823.1100	3823.1100.1100	All origin	US\$ 1.00/ Kg
2	Stearic Acid (Triple pressed)	3823.1100	3823.1100.1200	All origin	US\$ 1.20/ Kg

5. **Validity of this Valuation Ruling.** The values determined in this Ruling shall continue to be the applicable customs values, for relevant 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 value determined in the ruling, the differential between air freight and sea freight, when taken into account, raises the customs values above those determined in this ruling, the concerned assessing officers shall apply such higher values in terms of section 25(I) 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) (c) of the Customs Act, 1969.



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DIRECTOR