



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)/ Multan/ Islamabad/ Sambrial (Sialkot)/ Faisalabad /Hyderabad / Quetta/ Peshawar/Gawadar/ Gilgit-Baltistan

DETERMINATION OF CUSTOMS VALUES OF SPRAY PAINTS
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO.649 / 2014

No. Misc/04/2014-II

Dated: March 26, 2014

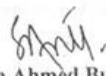
In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Spray Paints are determined as follows : -

- Description of the valuation issue:** It was brought to the notice of the Directorate General that Spray Paints were being imported at under invoiced values, causing loss of Revenue to Government exchequer. Therefore, an exercise to determine the Customs values of the subject goods under Section 25-A was initiated.
- Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were applied 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 requisite 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 variation and suppressed declarations the same could not be relied upon. In the sequential order this office then resorted to conduct a market inquiry. Under this valuation method information collected through deductive value method. Consequently Deductive Value Method under Sub-Section (7) of Section 25 of the Customs Act, 1969, was therefore, applied to arrive at the assessable Customs values of the subject goods.
Stakeholders' participation in determination of values: Meetings with stakeholders were convened for 13-03-2014 and 20-03-2014.
- Customs values for Spray Paints :** Spray Paints *hereinafter specified* shall be assessed to duty/ taxes on the Customs values given against them in the Table below : -



S.No.	Description of Goods	PCT	Proposed PCT for WeBOC	Origin	Determined Customs Values(C&F) USS/ Kg
(1)	(2)	(3)	(4)	(5)	(6)
01.	Spray Paints	3208.9090	3208.9090.1000	China	0.80
02.	Spray Paints	3208.9090	3208.9090.1100	Thailand	0.85
03.	Spray Paints	3208.9090	3208.9090.1200	Others	1.00

5. In cases where declared/ Transaction values are higher than the Customs value determined in this Ruling, the assessing officer 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.
6. **Validity of this Valuation Ruling:** The value 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.
7. **Review of the value determined vide this Valuation Ruling:** A review 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, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.
8. 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 with respect to PCT may kindly be brought to the notice of Directorate General immediately.


(Suraiya Ahmed Butt)
Director

Copy for information to :-

01. S.A. to Chairman, F.B.R., Islamabad.
02. Member (Customs), F.B.R., Islamabad.
03. Director General, Customs Valuation, Custom House, Karachi.
04. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
05. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
06. Chief Collector of Customs (Central), Lahore.
07. Chief Collector of Customs (North), Islamabad.
08. Director General, Intelligence and Investigation, Islamabad.
09. Director General, Post Clearance Audit, Islamabad.
10. Director General Internal Audit, (Customs), Islamabad.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
12. The Project Director, WeBOC, 11th Floor, Custom House, Karachi.
13. Additional Director, Customs Valuation (Camp Office), Lahore.
14. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database on the date of issue of this Ruling.
15. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
16. Chairman (Valuation Committee), KCC&I, Aiwan-e-Tijarat Road, Karachi.
17. Customs Revenue Audit, 8th Floor, Custom House, Karachi.
18. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
19. Review Section, Customs Valuation, 7th floor, Custom House, Karachi.
20. Karachi Customs Agents Group, Bohri Road, Karachi.
21. CHO, Customs Valuation, Custom House, Karachi.
22. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st floor, Custom House, Karachi.
23. Guard File.