



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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**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 Sodium Hydrogen (Sodium Bicarbonate) Under Section 25-A of The Customs Act, 1969**

(Valuation Ruling No. 820/2016)

No. Misc/06 /2010-II

Dated: March 08, 2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Sodium Hydrogen (Sodium Bicarbonate) are determined as follows:-

2. **Background of the valuation issue:** Customs values of Sodium Hydrogen (Sodium Bicarbonate) were determined vide Valuation Ruling No.424/2012 dated 06-02-2014. The importers were demanding revision in prices of Sodium Hydrogen (Sodium Bicarbonate) (PCT heading 2836.3000) claiming that there is decline in the prices in the international market. Accordingly, to ascertain the current prices prevailing in the international market, an exercise to re-determine the customs value of Sodium Hydrogen (Sodium Bicarbonate) was undertaken by this Directorate General.

3. **Stakeholder's participation in determination of Customs values:** Meeting with the stakeholders was held on 02-03-2016 which was attended by importers, local manufacturers and office representatives of Pakistan Chemical Dyes Merchants Association (PCDMA). The stakeholders were requested to provide supporting documents including copies of contracts made, LCs, detailed particulars of foreign manufacturers, Sales Tax Invoices etc., to substantiate their contention of decrease in international market prices. During the meeting it was observed that there are two distinct types of Sodium Hydrogen (Sodium Bicarbonate) being imported, one is food grade and the other is pharmaceutical grade. It was informed that pharma grade of Sodium Hydrogen (Sodium Bicarbonate) is being imported mostly by pharmaceutical companies. Majority of imports, of Sodium Hydrogen (Sodium Bicarbonate) food grade is effected from China, whereas pharmaceutical grade Sodium Hydrogen (Sodium Bicarbonate) is imported from origins like Germany, Korea, UK etc. Pharmaceutical grade Sodium Hydrogen (Sodium Bicarbonate) is comparatively more expensive than food grade Sodium Hydrogen



(Sodium Bicarbonate). There was a consensus that the new Ruling shall distinctly specify the two types of Sodium Hydrogen (Sodium Bicarbonate) grades separately.

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 in hand. Transaction value method under Sub-Section (1) of Section 25 of the Act, 1969, was found inapplicable because of wide variations hence total reliance thereon cannot be made to ascertain the correct transactional value. Identical/similar goods value methods provided in Sub-Sections (5) & (6) of Section 25 *ibid* were also not found applicable in view of the reason mentioned above in the case of Sub-Section (1). Market enquiries, as envisaged under Section 25(7) of the Customs Act, 1969, were also conducted. There were certain variations in the market values owing to the location of the market in the city. The computed method as provided under Section 25(8) of the Customs Act, 1969 could not be applied as the conversion cost from constituent materials at the country of export were not available. Online values of the subject items were also obtained. All the information so gathered was evaluated and analyzed for the purpose of determination of customs value. Consequently, the customs values of Sodium Hydrogen (Sodium Bicarbonate) have been determined under Section 25(9) of the Customs Act, 1969.

5. **Customs Values of Sodium Hydrogen (Sodium Bicarbonate):** Sodium Hydrogen (Sodium Bicarbonate) hereinafter *specified*, shall be assessed to duty/taxes on the Customs value mentioned against it in the Table below:

S. No.	Description of goods	PCT Heading	Proposed PCT for WeBOC	Origin	Customs Values (C&F) USS/ Kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Sodium Bicarbonate (Food Grade)	2836. 3000	2836.3000.1000	China	0.26
			2836.3000.2000	Turkey	0.27
			2836.3000.3000	Other origins	0.28
2.	Sodium Bicarbonate (Pharma Grade)	2836. 3000	2836.3000.4000	China	0.36
			2836.3000.5000	Korea	0.40
			2836.3000.6000	UK/EU	0.45

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, or by land route, the assessing officer shall take into account the differential between air freight or land route transportation charges and sea freight while applying the Customs values determined in this Ruling.

7. **Validity of 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 (4) 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, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> 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 for redressal.

10. **This Valuation Ruling supersedes Valuation Ruling No. 424/2012, dated 06-02-2012.**

  
(Dr. Wasif Ali Memon)  
Director

Copy for information to: -

1. Member (Customs), F.B.R., 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, 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), Islamabad.
11. Director, Intelligence & Investigation, Karachi/Lahore/Islamabad/Quetta/Peshawar/Faisalabad.