



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorate, Appraisement (East/West)/Port Qasim/ Preventive, Karachi / Lahore ( Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad/ Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan

**Determination of Customs Values of Galvanized/ Un-galvanized iron & steel wire rope under section 25-A of the Customs Act, 1969.**

( VALUATION RULING NO 857/ 2016)

No. Misc/13/2010- VI-A

Dated: May 23, 2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Galvanized / Un Galvanized Iron & Steel Wire Rope are determined as follows: -

2. **Background of the valuation issue:** Recently the importers of Galvanized / Un Galvanized Iron & Steel Wire Rope have agitated against the customs values of Galvanized / Un Galvanized Iron & Steel Wire Rope determined vide Valuation Ruling No.632/2014, dated 02-01-2014 mainly on the ground that the values of the subject goods are traded in the international market on much lower side. Thus, an exercise to determine the customs values of the subject goods afresh was initiated.

3. **Stakeholders' participation in determination of Customs values:** A meeting was scheduled on 16-05-2016, with stakeholders. The stakeholders had been requested to submit the following documents so that accurate customs values could be determined:-

- i) Invoices of imports during last three months showing factual value.
- ii) Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual correct value can be ascertained.
- iii) Copies of Contract made / LCs opened during the last three months showing the value of item in question.
- iv) Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.

4. None except the representative of the manufacturers, i.e., M/s. Umar Usman & Sons, Multan attended the meeting. No documents in support of the contentions of the importers were submitted, however, they verbally stated that the prices in the international market of the subject goods are on declining side and this can be verified from the physical import data available in Customs archives.



5. **Method adopted to determine Customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were followed. The transaction value method under Sub-Section (1) of Section 25 *ibid* was found inapplicable because of non-availability of sufficient information as per law. Identical / similar goods valuation methods provided in Sub-Section (5) & (6) of Section 25 *ibid* furnished variable and unreliable values. Deductive Value Method under Sub-Section (7) of Section 25 of the Customs Act, 1969, was applied through market inquiries. It was found that iron and steel galvanized and un-galvanized wire rope were available in a variety of specifications and tensile strength and values heavily depended on such factors. On line values were also checked. Section 25(8) could not be invoked as the conversion costs of the country of export were not available. Hence reliance was placed on Sub-Section (9) of Section 25 of the Customs Act, 1969 and customs values were of the subject goods were determined.

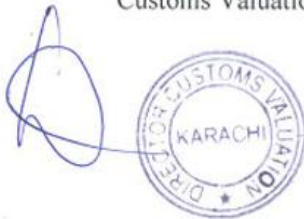
5. **Customs values for Galvanized / Un-Galvanized Iron & Steel Wire Rope:** Galvanized / Un-Galvanized Iron & Steel Wire Rope *hereinafter specified* shall be assessed to duty / taxes at the following Customs Values :-

S. No.	Description	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) USS / Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	Galvanized Iron & Steel Wire Rope	7312.1010 7312.1020	7312.1010.1000 7312.1020.1000	China	1.11
2	Un Galvanized Iron & Steel Wire Rope	7312.1010 7312.1020	7312.1010.1100 7312.1020.1100	China	0.94

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, the assessing officer shall take into account the differential between air freight and sea freight while applying the Customs values determined in this Ruling.

7. **Validity of this 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 (1) or (3) 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 of this ruling, 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 this Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned herein. HS Codes are mentioned for illustrative purpose so that values mentioned in the Valuation Ruling are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification required thereon

10. *This ruling supersedes Valuation Ruling No. 632/2014, dated 02-01-2014.*

  
(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 (Appraisement), 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-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1<sup>st</sup> Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system and deleting Valuation Ruling No. 632/2014, dated 02-01-2014, from the system on the date of issue of this ruling.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7<sup>th</sup> Floor, Custom House, Karachi / MCC, Appraisement, 1<sup>st</sup> Floor, Custom House, Karachi.
21. Guard File.