



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

Determination of Custom Values of Vacuum Flasks Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 864/2016)

No. Misc/03/2011-VIII/IX

19382

Dated: June 03, 2016

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

2. **Background of the valuation issue:** It was brought to the notice of this Directorate General of Customs Valuation that the values of Vacuum Flasks have increased in the international market as compared to the determined Customs values of Vacuum Flasks vide Valuation Ruling No.473/2012, dated 27-09-2012. The impugned Valuation Ruling being very old required revision in line with the prevailing prices in the international market, therefore, this Directorate General initiated an exercise for determination of customs value of Vacuum Flasks.

3. **Stakeholders' participation in determination of Customs values:** Meeting with stakeholders was held on 16-05-2016. The importers had been requested to furnish following documents before meeting date or in case they required more time, they were asked to bring these documents at meeting:-

- Invoices of imports during last three months showing factual value.
- Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- 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. However, neither any importer submitted the above mentioned documents before the meeting nor anyone brought the same in meeting. During the meeting, the importers took the stance that the prices of the vacuum flasks of almost all types had slightly decreased in the international market. They, however, could not submit any corroboratory evidence/documents in support of their contentions.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at fair value of vacuum flasks. Transaction value method provided in Section 25 (1) was found inapplicable due to declarations at suppressed values. Identical / similar goods value methods provided in Section 25(5) & (6) were



examined for applicability to the valuation issue in the instant case which provided some reference values of the subject goods but the same could not be exclusively relied on due to wide variation and suppressed in declarations regarding values. Thereafter, market enquiries as envisaged under Section 25 (7) of the Customs Act, 1969, were conducted. As the stakeholders were not forthcoming with the values of the subject items as being traded in the international market, therefore different markets were surveyed repeatedly for this purpose. Online prices were also obtained to corroborate the findings of the market surveys. Computed Value Method as provided in Section 25 (8) could not be applied for valuation of the aforementioned goods as the cost of raw material and fabrication charges under clause (a) and amount of profit and general expenses under clause (b) of Section 25 (8) of the Act, in the country of export, could not be ascertained. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the Customs values of different types of vacuum flasks have been determined under Section 25(9) of the Customs Act, 1969.

6. **Customs values for Vacuum Flasks:** Vacuum Flasks hereinafter specified are shall be assessed to duty / taxes at the following Customs Values:

S.No	Description of goods	Specifications	PCT Heading	Propose PCT for WeBOC	Origin	Customs Value (C&F) USS/Kg
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Vacuum Flasks	Outer casing of coated GP Sheet with inside refill of glass.	9617.0010	9617.0010.1000	China	2.5
2.			9617.0010	9617.0010.1100	Japan	3.2
3.			9617.0010	9617.0010.1200	All other origins	2.75
4.		Outer casing of stainless steel with inside refill of glass.	9617.0010	9617.0010.1300	China	3.8
5.			9617.0010	9617.0010.1400	All other origins	4.3
6.		Outer casing of stainless steel with inside refill of stainless steel.	9617.0010	9617.0010.1500	China	4.8
7.			9617.0010	9617.0010.1600	Japan/US A	6.5
8.			9617.0010	9617.0010.1700	All origins except China, Japan & USA	5.5
9.			9617.0010	9617.0010.1800	China	2.0
10.		Outer casing of plastic with inside refill of glass.	9617.0010	9617.0010.1900	All other origins	2.3



7. 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 or in case of import through Land Customs Stations, the differential amount between the Sea freight and land transport charges while applying the Customs values determined in this Ruling.

8. **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.

9. **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, 7th Floor, Custom House, Karachi.

10. The Collectors of Customs may kindly ensure that the values given in this Valuation 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 valuation ruling values are made accessible to the assessing officer. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification/ documentation required thereon

11. *This Valuation Ruling supersedes Valuation Ruling No.473/2012, dated 27-09-2012.*


(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-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1st 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, Lahore.

13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system and deleting *Valuation Ruling No. 473/2012, dated 27-09-2012.*

14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.

15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.

16. Director, Directorate of Customs Valuation, 7th Floor, Custom House, Karachi.