



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 CUSTOMS VALUES OF COBBLE PLATES
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 895/2016)

No. I/40/2009-VI

Dated: July 29, 2016

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

2. **Background of the valuation issue:** Recently Naimatullah Steel Works (Pvt) Ltd, Lahore importers of Cobble Plates have agitated against the customs values of Cobble Plates determined vide Valuation Ruling No.539/2013 dated 21-01-2013 mainly on the ground that the values of the subject goods are traded in the international market at much lower side. Hence, an exercise was initiated by this Directorate General to re-determine the same.

3. **Stakeholders' participation in determination of Customs values:** Meetings were scheduled on 08-06-2016 & 15-06-2016, with stakeholders including the representatives of importers and manufacturers and trade bodies. All the participants were requested to submit the following documents so that correct 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 current value can be ascertained.
- iii) Copies of Contracts 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. The requisite documents were not submitted by any stakeholders and none except the representative of M/s. Peoples Steel Mills, Karachi appeared on 08-06-2016. Another hearing was fixed on 15-06-2016 due to non appearance of all major stakeholders but was not attended by any stakeholders. However, M/s. Naimatullah Steel Works (Pvt) Ltd, Lahore made written submissions stating that prices prevailing in the international market were considerably lower than those determined vide Valuation Ruling No. 539/2013 dated 21-01-2013.

5. **Method adopted to determine Customs values:** Valuation methods provided under Section 25 of the Customs Act, 1969 were followed. Transaction value method provided in Section 25 (1) was found inapplicable because the requisite information was not available. Identical / similar goods value Methods provided in Section 25(5) & (6) were examined which provided only two reference values. Deductive Value Method as envisaged under Section 25(7) of the Customs Act, 1969, was examined but the same was not helpful because the under reference goods were primarily imported as raw material for own / industrial consumption and not freely available in the market. Similarly, the value method under Section 25(8) of the Customs Act, 1969, could not be applied due to non-availability of details of expenses incurred in the country of manufacture. Online values were also checked. Consequently, the methodology under Section 25(9) of the Customs Act, 1969, was relied upon to determine the customs values of imported goods under Section 25A of the Customs Act, 1969.

6. **Customs values for Cobble Plates :** Cobble Plates *hereinafter specified* shall be assessed to duty / taxes at the following Customs Values :-



S. No.	Description of goods	PCT	Proposed PCT for WEOC	Origin	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
01.	Cobble Plates	7207.2090	7207.2090.1000	All Origins	0.425

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 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 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. Customs values determined in the ruling are for the description and specification as mentioned herein. PCT 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 required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue.

11. **This ruling supersedes Valuation Ruling No.539/2013, dated 21-01-2013.**

(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