



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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

**Determination of Customs Values of Chemicals, Glycerin, Ammonium Bi Carbonate, Butyl Acrylate, Chlorinated Paraffin Wax (Liquid) and Calcium Carbide Under Section 25-A of the Customs Act, 1969.**

No.Misc./06/2007-II/88

Dated: January 17, 2018

(VALUATION RULING NO.1246/2018)

In exercise of powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Chemicals namely Glycerin, Ammonium Bi Carbonate, Butyl Acrylate, Chlorinated Paraffin Wax (Liquid) and Calcium Carbide are determined as follows:


2. **Background of the Valuation Issue:** Earlier the customs values of the subject chemicals were determined vide Valuation Ruling No. 1132/2017 dated 17.04.2017. There were several representations from commercial importers, local manufacturers and from Pakistan Chemicals and Dyes Merchants Association (PCDMA) wherein they contended that customs values determined in the existing valuation ruling are not reflective of prices in international markets. Keeping in view the prevailing prices of the subject goods, this Directorate General initiated an exercise for determination of the Customs Values of the subject Chemicals in terms of Section 25-A of the Customs Act, 1969.



3. **Stakeholders participation in determination of Customs values:** Meeting with stakeholders including importers, representatives from Pakistan Chemicals and Dyes Merchants Association (PCDMA) and representatives from field formations was held on 18.12.2017, to discuss the current international prices of the subject chemicals. All the stakeholders requested that the said valuation ruling may be reviewed in the light of prevailing international market prices. Moreover, the importers stated that Customs Values determined in the existing valuation ruling are for imports in drum packing whereas in case the goods are imported in ISO tanks or bulk vessels they face difficulty for assessment. Therefore, they requested that margin of quantity and freight element may be allowed for imports in ISO tanks or bulk vessels as has been allowed in several other valuation rulings. Local manufacturer M/s. Nimir Industrial Chemicals Ltd., submitted ICIS Scan prices of Glycerin showing upward trend. The view point of all participants was heard in detail and considered to arrive at Customs values of the subject chemicals.

4. **Method adopted to determine Customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly applied in their regular sequential order to arrive at customs values of subject items. The transaction value method provided in Sub-Section (1) of Section 25, was found inapplicable because there was wide differences in the declarations. Identical / similar goods value method provided in Sub-Sections (5) & (6) of Section 25 ibid 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 the absence of absolute demonstrable evidence of qualities, and quantities of commercial level etc., and also it was observed that some importers provided misleading description while declaring goods, as other grades and percentage of purity of similar goods to avoid the application of valuation ruling. Information available was, hence, found inappropriate. In line with the statutory sequential order of Section 25, this office then conducted market inquiries using Deductive Value Method under Sub-Section (7) of the Section 25 of the Customs Act, 1969 and determined customs values of Glycerin, Ammonium Bi Carbonate, Butyl Acrylate, Chlorinated Paraffin Wax (Liquid) and Calcium Carbide.

5. **Customs values for Chemicals namely Glycerin, Ammonium Bi Carbonate, Butyl Acrylate, Chlorinated Paraffin Wax (Liquid) and Calcium Carbide:** The Chemicals hereinafter specified shall be assessed to duty / taxes at the following Customs Values :



S. No	Description of goods	Origin	PCT	Proposed PCT for WEBOC	Customs Values (C&F) USS/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	Glycerin	All origins	2905.4500	2905.4500.1000	1.00
2	Ammonium Bi Carbonate	China	2836.9930	2836.9930.1000	0.19
3	Butyl Acrylate	All origins	2916.1200	2916.1200.1000	1.45
4	Chlorinated Paraffin Wax (Liquid) Chlorine content 62%	China/India	3824.9980	3824.9980.1000	0.65
5	Chlorinated Paraffin Wax (Liquid) All other grades	China/India	3824.9980	3824.9980.1100	0.90
		All origins	3824.9980	3824.9980.1200	1.00
6	Calcium carbide	China, Far East & Middle East	2849.1000	2849.1000.1000	0.75
7	<i>Note: The Customs Values determined above are for imports in drum/bag packing. In case the goods are imported in ISO tank/Bulk Vessel, US\$ 100/M. Ton may be deducted for assessment purpose from above mentioned Customs Values.</i>				

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 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 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 descriptions and specifications as mentioned in this Valuation Ruling. HS Codes are mentioned for illustrative purposes so that Valuation Ruling values 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 certifications 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 therein.

10. ***This Ruling supersedes Valuation Ruling No.1132/2017 dated 17.04.2017.***

  
(Muhammad Iqbal Muneeb)  
Director  
17/11/18

Copy for information to:

1. The Member (Customs), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Director General, Intelligence and Investigation-FBR, Islamabad.
8. The Director General, Audit (Customs & Petroleum), 1<sup>st</sup> Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. The Director General, Post Clearance Audit (PCA), Islamabad.
10. The Director General, Internal Audit (Customs), Karachi.
11. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta