



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 Canvas Water Discharge Hose
Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. ¹²⁶⁴ / 2018)

No. Sec 81/03-IV ¹²⁶⁵

Dated: March 01, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs value of Canvas Water Discharge Hose is determined as follows :-

2. **Background of the valuation issue:** A representation was received from M/s Ghauri Enterprises that the consignments of Canvas Water Discharge Hose are being imported at different declared prices and are assessed on different prices. They requested for issuance of valuation ruling under Section 25-A of the Customs Act 1969 for uniform assessment across the board. Keeping in view the above stated request and clearance data of subject goods, this Directorate General initiated an exercise for determination of the Customs Values of the subject goods in terms of Section 25-A of the Customs Act, 1969.

3. **Stake holders' participation in determination of Customs values:** Meeting with stake holders was convened on 06.02.2018 to discuss international price trends of the subject goods. M/s Ghauri Enterprises contended that value of Canvas Water Discharge Hose should be determined in close proximity of value determined for PVC Hose Pipes vide Valuation Ruling No. 1010/2017 dated 12.01.2017, however, the Departmental representative stated that PVC Hose Pipe is mainly composed of PVC raw material where as Canvas Water Discharge Hose is composed mainly of polyester Filaments, hence both items have no nexus with each other. The view point of participants was heard in detail and considered to arrive at Customs values of the subject goods.

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 goods. The transaction value method provided in Sub-Section (1) of Section 25, was found inapplicable because there were 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. 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 Canvas Water Discharge Hose under section 25(7) of the Customs Act, 1969.

5. Customs values for of Canvas Water Discharge Hose: Canvas Water Discharge Hose shall be assessed to duty / taxes at the Customs Values specified therein :-

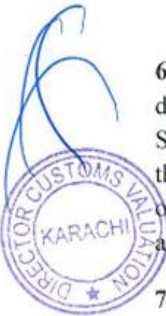
S. No.	Description of goods	PCT Heading	Proposed PCT for We BOC	Origin	Customs Values (C&F) USS/kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Canvas Water Discharge Hose (without attachment)	5909.0000	5909.0000.1000	China	1.85
				Other origins	2.05

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 and the same may be communicated to this Directorate General forthwith. 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:** This Valuation Ruling is appealable under the law and a revision petition may be filed against this Ruling, 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.

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. The Custom values determined in the Valuation Ruling are for the descriptions and specifications



as mentioned herein, HS Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to the assessing officers. The assessment shall be finalized in the correct classifications after fulfilling requisite formalities relating to importability or 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 of the Customs Act, 1969 or any other law in vogue therein.

(Muhammad Iqbal Muneeb)

Director

01/3/18

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), 1st 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/ Peshawar/ Multan.
12. The Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & We BOC database system.
14. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
16. The Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. The Revision Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. The Karachi Customs Agents Group, Bohri Road, Karachi.
19. The CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC Appraisalment, 1st Floor, Custom House, Karachi.
21. The Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading on FBR Website.
22. Guard File.