



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

Determination of Customs Values of Dyes Under Section 25-A of the Customs Act, 1969.

No. MISC/44/2018-II / 350

Dated: March 22, 2018

(VALUATION RULING NO. 1274 / 2018)

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

2. **Background of the Valuation Issue:** Earlier the customs values of different Dyes were determined vide Valuation Ruling No. 174/2009 dated 28.10.2009. The existing valuation ruling is more than eight years old therefore required to be revised in line with the prevailing prices in the international market, therefore, this Directorate General initiated an exercise for determination of the Customs Values of Dyes in terms of Section 25-A of the Customs Act, 1969.

Stakeholders participation in determination of Customs values: Meetings with stakeholders including importers, representatives from Pakistan Chemicals and Dyes Merchants Association (PCDMA) and representatives from field formations were held on 27-02-2018, 30-01-2018 and 13-03-2018, to discuss the prices of the subject goods. The importers / stakeholders were requested to submit the following documents so that 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 their contention.

During the meetings, the representatives of Pakistan Chemical and Dyes Merchants Association stated that there is vast variation in prices depending upon concentration of the dyes. They requested to re-organize the categories of Sulphur Black BR in accordance with its concentration to avoid mis-declaration at import stage. The PCDMA contended that their proposition of values for different types of

chemicals accurately reflects international values. As and when there are significant variations, they would themselves approach customs authorities for re-determination of customs values. They further stated that the quantum of import and prices of Sulphur dyes has decreased due to the reason that the same have been replaced by more advanced dyes. The view point of all 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 as provided in Sub-Section (1) of Section 25 of the Customs Act, 1969 was found inapplicable because there was wide differences in the declarations. Therefore, identical / similar goods value method as provided in Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to the valuation issue in the instant case but the same could not be exclusively relied on due to wide differences in declarations to customs. Information available was, hence, found to be inadequate. In line with the statutory sequential order of Section 25, this office conducted market inquiries under Sub-Section (7) of Section 25 of the Customs Act, 1969. As there were certain differences in prices in different markets, therefore, a number of surveys were conducted to arrive at customs values. Resultantly, Customs values of Dyes were determined under section 25 (7) of the Customs Act, 1969.

5. **Customs values for Dyes hereinafter specified** shall be assessed to duty / taxes at the following Customs Values :



S. No	Description of goods	Colour index No.	Origin	PCT	Proposed PCT for WEOC	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Sulphur black BR. Upto 150% (Other than Sinochem Tianjin).	Sulphur Black-1	China	3204.1910	3204.1910.1000	1.70
2	Sulphur black BR. Above 150% to 200% (Other than Sinochem Tianjin)	Sulphur Black-1	China	3204.1910	3204.1910.2000	2.30
3	Sulphur black BR above 200% (Other than Sinochem Tianjin)	Sulphur Black-1	China	3204.1910	3204.1910.2000	2.90
4	Sulphur black BRN Other than Sinochem Tianjin	Sulphur Blue-7	China	3204.1910	3204.1910.3000	3.50
5	Sulphur Bordeaux 3B Other than Sinochem Tianjin	Sulphur Red-6	China	3204.1910	3204.1910.4000	2.70

