

GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACH

File No. DG (V)/Val.Rev/11/2018

22<sup>nd</sup> June, 2018

Order in Revision No. 19 /2018 Under Section 25-D of the Customs Act, 1969 against  
Valuation Ruling No. 1255/2018 dated 02-02-2018

- i. This copy is granted free of charge for the private use of the person to whom it is issued.
- ii. An appeal against this Order-in-Revision lies to the Appellate Tribunal, Customs having jurisdiction, under Section 194-A of the Customs Act, 1969, within stipulated period as prescribed under the law. An appeal should bear a court fee stamp of Rs.1000/- (Rupees one thousand) only as prescribed under Schedule-II item 22 of the Court Fee Act, 1870 and must be accompanied by a copy of this Order.
- iii. An extra copy of appeal, if filed, should simultaneously be sent to this office for information and record.
- iv. If an appeal is filed, the appellant should state whether he desires to be heard in person or through an advocate.

M/s. KATYS

..... PETITIONER

VERSUS

Director, Customs Valuation, Karachi

..... RESPONDENT

Date(s) of hearing

11-04-2018, 23-05-2018, 05-06-2018  
and 21-06-2018

For the Petitioner

None

For the Respondent

Mr. Iqbal Ali, Principal Appraiser.

This revision petition was filed under Section 25-D of the Customs Act, 1969 against Customs values determined vide Valuation Ruling No.1255/2018 dated 02-02-2018 issued under Section 25-A of the Customs Act, 1969, inter alia, on the following grounds:

2. That Valuation Department issued Valuation Ruling issued does not match with the import data and still it is on higher side and after so many meetings with Deputy Director and Directors and after given the import evidence of different supplier from Italy. They did not accept the import evidence for the reason best known to them and they even did not call the Association of HVACR Parts that is Importers Association that is Pakistan HVACR Importers and Traders Association as it is promoting mis-declaration and smuggling from UAE.
3. That enclosing herewith a data / information in support of our declared value import document as under Section 25(1) our import is on DP basis and Bank debit invoice is also enclosed and also incoming import invoice is enclosed.
4. The respondent department was asked to furnish comments to the arguments submitted by the petitioner in the case. Para-wise comments on the petition are given as under:-




### Parawise Comments by Department

The Customs values of copper filter dryers were determined vide Valuation Ruling No.1103/2017 dated 21.03.2017. The Honorable Appellate Tribunal, Karachi have set-aside the Valuation Ruling and order in revision No.353/2017 dated 07.04.2017 and ordered to revise the Valuation Ruling after giving the opportunity, being heard to all stakeholders. Being aggrieved with the Appellate Tribunal order, this Directorate has filed reference before the Honorable High Court. Therefore, an exercise was conducted to determine the customs values of Filter Dryers under Section 25A of the Customs Act, 1969.

The stakeholder's meeting was scheduled on 17.11.2017 & 29.01.2018, all the participants were requested to submit their import documents, sales tax invoices and other supporting documents, but in spite of lapse of considerable time, the requisite documents were not submitted. Import data under Section 25(5) & (6) was examined, local market enquiry as envisage under section 25(7) of the Customs Act, 1969 was conducted repeatedly, prices were also obtained through internet enquiries, and after gathering all information Val. Ruling No.1255/2018 dated 02.02.2018 was issued under section 25(7) of the Customs Act, 1969 as per law. It is further stated that the determined customs values of cameras in existing Valuation Ruling the prices were reduced as compared the old Valuation Ruling and a suitable discount was given on worked out values.

It is requested that Valuation Ruling No. 1255/2018 dated 02.02.2018 issued under section 25-A of the Customs Act, 1969 as per law and after a detailed enquiry, thus the appeal may be rejected.

### ORDER




5. Hearings in the subject case were fixed for 11-04-18, 23-05-18, 05-06-18 and 21-06-2018 but the opportunity of hearings was not availed by the petitioner on any of the occasions. Accordingly, the case is being decided on merits after scrutinizing the arguments given in the revision application filed under section 25D of the Customs Act, 1969 by the petitioner and the response of the Departmental Representative (DR). The main contention of the petitioner was that the values determined vide impugned Valuation Ruling are very high and that their declared value should be accepted for assessment purpose. They were further aggrieved that their association was not included in the valuation process.

6. The DR explained in detail the valuation methodologies adopted by them to arrive at the Customs values determined vide the impugned Valuation Ruling. In support of their contention the DR presented various details of the valuation exercise/ working. The DR clarified that stakeholders were duly taken on board while determining the values of Copper Filter Dryer.

7. Perusal of case record and the defense of the department reveals that the Directorate while issuing the impugned Valuation Ruling has given due opportunity of meeting to the stakeholders including the petitioner. The petitioner has insisted upon accepting his declared values as correct transaction values for assessment purpose; however, he did not produce the requisite documents to substantiate his claim. In the absence of any import related documents the correctness and genuineness of the declared value as true transaction value cannot be verified under Section 25(1) ibid. Non submission of import related to prove the genuineness of the transaction value manifests

that the importer/petitioner could not produce any vital piece of evidence to this forum. Therefore his insistence to accept his transaction values cannot be ascertained in a vacuum. The onus to prove that he has made correct declarations viz. his transaction values lies with the applicant which he failed to discharge. Further, the DR underscored that the values of subject goods have already been rationalized by the department after the due process of law. In view of the above stated facts, I conclude that the revision petition is devoid of merit and is rejected accordingly.

  
(Suraiya Ahmed Butt)  
Director General

Registered copy to:

M/s. KATY'S,  
Office No.750-751C, Central Commercial Area,  
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5. Director, Customs Valuation, Karachi/Lahore.
6. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi for  
Uploading in One Customs and WeBOC Database.
7. Deputy Director (Review), Karachi.
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