



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 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

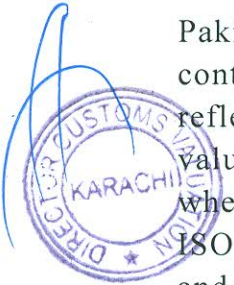
Dated: July 12,2018

(VALUATION RULING NO. 1312/ 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. 1246/2018 dated 17.01.2018. There were several representations from importers, industrial consumers 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. Furthermore, they stated that customs values determined in the existing valuation ruling are for imports in drum packing whereas the chemical namely butyl acrylate, besides drum packing, is also imported in ISO tanks or bulk vessels as well. They face difficulty for assessment in such cases and requested to notify the customs value for imports in ISO tanks or bulk vessels as well. 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.

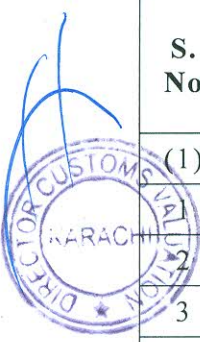
3. **Stakeholders participation in determination of Customs values:** Meetings with stakeholders including importers, representatives from Pakistan Chemicals and Dyes Merchants Association (PCDMA) and representatives from field formations were held on 16.04.2018 and 12.07.2018, to discuss the current international prices of the subject chemicals. The stakeholders requested that the said valuation ruling may be reviewed in the light of prevailing international market prices. During the meeting, representative of PCDMA also submitted the proposal regarding values of these chemicals. Mostly the importers agreed with the values proposed by PCDMA. The importers of Butyl Acrylate contested that this item is imported in all types of packaging; drums, ISO tanks and vessel loads and requested to grant due allowance on



import in quantities in the mentioned packaging. 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 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. 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 accordingly.

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 WEOC	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	Glycerin	All origins	2905.4500	2905.4500.1000	0.90
2	Ammonium Bi Carbonate	China	2836.9930	2836.9930.1000	0.18
3	Butyl Acrylate	All origins	2916.1200	2916.1200.1000	1.55
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 of Butyl Acrylate determined at serial No.3 are for imports in drum packing. In case Butyl Acrylate is imported in ISO tank then US\$ 100/M. Ton and for Bulk Vessel imports US\$ 200/M. Ton may be deducted for assessment purpose.</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, 7th 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.1246/2018 dated 17.01.2018.***


(Muhammad Iqbal Muneeb)
Director

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. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system and deleting Valuation Ruling No. 1246/2018 dated 17.01.2018.
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. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Revision Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisement, 1st Floor, Custom House, Karachi.
21. Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading on FBR Website.
22. Guard File.