



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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

**Determination of Customs Values of Tyres & Tubes-III (Agriculture, Industrial & Earth Mover) under Section 25-A of the Customs Act, 1969**

(Valuation Ruling No. 1320/2018)

No.Misc/08/2005-III

Dated: August 30<sup>th</sup>, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Tyres & Tubes of agriculture, industrial & earth mover are hereby determined as follows.

2. **Background of the valuation issue:** The customs values of tyres & tubes of different types and sizes including those of agriculture, industrial & earth mover were determined under Section 25-A of the Customs Act, 1969 vide Valuation Ruling No. 1236/2017 dated 15-12-2017. However, different stakeholders requested to re-determine customs values afresh in line with values prevalent in the international market. Therefore, an exercise was initiated in terms of Section 25-A of the Customs Act, 1969 to determine customs values of subject goods in light of existing international market prices.

**Stakeholders' participation in determination of customs values:** Meetings were held on 24-04-2018, 04-06-2018 and 02-08-2018 with stakeholders including Pakistan Tyre Importers and dealers Association (PTIDA) and the officers from field formations. The importers had been requested to furnish the following documents before or during the course of above said meetings:-

- Invoices of imports during last three months showing actual value of goods.
  - Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
  - Copies of contracts made / LCs opened during the last three months showing the value of item in question.
  - Copies of Sales Tax Invoices issued during last four months showing the values of supplies (excluding duty and taxes) to substantiate their contentions.
4. During the course of meetings, certain importers submitted that custom values of various tyres and tubes determined in the existing valuation ruling are on higher side, therefore, the same may be rationalized downward. They were requested to submit evidences in support of their claims. Pakistan Tyre Importers and Dealers Association (PTIDA) also submitted proposals for values of different types of tyres and tubes. Participants also requested to include additional sizes and types of tyres and tubes not explicitly covered under the Ruling. A number of importers and office bearers of PTIDA contended that difference between non radial and radial type tyres have been kept at very high level which is against the trade industry practice. This difference shall be brought down to a reasonable level. In the same way, differences in ply ratings have also been kept at unreasonably high level which shall also be brought to the reasonable level in line with trade industry practice. Certain stakeholders pointed towards escalation of prices of raw materials

of tyres and tubes therefore, prices shall be adjusted upward accordingly. Barring a few importers, most of the stakeholders abstained from submitting evidences and documents in support of their contentions. All available record and evidences were examined for the determination of customs values.

5. **Method Adopted to Determine Customs Values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at customs values of tyres & tubes. Transaction value method provided in Section 25 (1) was found inapplicable because the requisite information was not available. Identical / similar goods value methods provided in Section 25(5) & (6) 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. Thereafter, market enquiries as envisaged under section 25(7) of the Customs Act, 1969, were conducted which gave values for most of the tyres and tubes bought and sold in the local market. The tyres and tubes of some specifications were not readily available in the market; therefore, different markets were surveyed repeatedly. The computed value method as provided in Section 25(8) of the Customs Act, 1969, could not be applied as the conversion costs of the constituent material at the country of export were not available. Online values of subject goods were also obtained. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the Customs values of Tyres & Tubes of agriculture, industrial & earth mover have been determined under Section 25(9) of the Customs Act, 1969.

6. **Customs Values of Tyres and Tubes:** Customs values of Tyres & Tubes of agriculture, industrial & earth mover, *hereinafter specified*, shall be assessed to duty/taxes on the Customs values as mentioned at Annexure-A, which form integral part of this Valuation Ruling along with following conditions:-



- i. *If a radial tyre is imported which is not covered in this Ruling and whose specifications are similar to normal tyre except for being radial, such tyres may be assessed at 12% higher value than that of the normal tyre.*  
*Where only tyres are imported, other than tubeless, depreciation of 6% shall be allowed on ruling value. Conversely, if tube of a tyre specified in the ruling is imported, the values shall be assessed at 6% of the tyre value. This is applicable to only those tube sizes which are not mentioned in the Valuation Ruling No. 1321/2018 dated 30.08.2018.*
- iii. *Value of tyres with different "Ply" shall be assessed by adding or subtracting from the determined value @ 3% per two ply rating.*
- iv. *Discount of 5% is admissible for import of tyres & tubes through land route on C&F value determined by this Directorate General.*
- v. *If tyres and tubes having specifications other than those mentioned in the valuation ruling are imported, the Collectorates may assess the goods under Section 25 of the Customs Act, 1969 or may refer a case to this Directorate General for suitable advice.*

7. 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 consignment imported by air, the assessing officer shall take into account the differential between the air freight and sea freight while applying the customs values in this ruling.

8. **Validity of this Valuation Ruling:** The values determined vide this Ruling shall be the applicable customs values 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.



9. **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.

10. 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 description and specification 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 certification 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.

11. ***This Valuation Ruling supersedes S.No 171-233 of Valuation Ruling No.1236/2017 dated 15.12.2017.***

(Muhammad Iqbal Muneeb)

Director

Copy for information to :-

- i. The Member (Customs), F.B.R., Islamabad.
- ii. The Director General, Customs Valuation, Custom House, Karachi.
- iii. The Chief Collector of Customs, South (Appraisement), Custom House, Karachi.
- iv. The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
- v. The Chief Collector of Customs (Central), Lahore.
- vi. The Chief Collector of Customs (North), Islamabad.
- vii. The Director General, Intelligence and Investigation, Islamabad.
- viii. The Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
- ix. The Director General, Post Clearance Audit (PCA), Islamabad.
- x. The Director General, Internal Audit, (Customs), Islamabad.
- xi. The Director, Intelligence & Investigation, Karachi/Lahore/Islamabad/Quetta/Peshawar/ Faisalabad.
- xii. 12. The Director, Customs Valuation (Camp Office), Custom House, Lahore.
- xiii. 13. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading this Ruling in WeBOC and deleting the Valuation Ruling No.1236/2017 dated 15.12.2017.
- xiv. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- xv. The Chamber of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- xvi. Law Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
- xvii. Review Section, Customs Valuation, 7<sup>th</sup> floor, Custom House, Karachi.
- xviii. The Karachi Customs Agents Group, Bohri Road, Karachi.
- xix. The CHO, Customs Valuation, Custom House, Karachi.
- xx. Notice Board, Customs Valuation 7<sup>th</sup> Floor, Custom House, Karachi / MCC, Appraisement, 1<sup>st</sup> Floor, Custom House, Karachi.
- xxi. Guard File.



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Tyre & Tube (Agriculture, Industrial & Earth Mover)

Annex-A (Pages:01-03) to Valuation Ruling No: 1320/2018 Dated: 30.08.2018

Customs C&F Values in US \$ per piece

S.No	H.S.Code	Proposed PCT for WeBOC	Vehicle Type	Rim Size	Tyre Size	Japan	Int'l Brands MFG in other origins	India	China	All other origins	Belarus / Russia/ Ukraine/ Turkey
1	4011.7000	4011.7000.1000	AGRICULTURE	16	550-16-6PR	23	21	21	16	20	
2	4011.7000	4011.7000.1010	AGRICULTURE	16	600-16-6PR		25	25	20	24	
3	4011.7000	4011.7000.1020	AGRICULTURE	16	650-16-8PR						69.81
4	4011.7000	4011.7000.1030	AGRICULTURE	16	750-16-6PR		43	43	34	40	
5	4011.7000	4011.7000.1040	AGRICULTURE	16	750-16-4PR						50.50
6	4011.7000	4011.7000.1050	AGRICULTURE	20	650-20-6PR	49	44	44	35	41	
7	4011.7000	4011.7000.1060	AGRICULTURE	20	750-20-6PR	55	47	47	38	45	50.50
8	4011.7000	4011.7000.1070	AGRICULTURE	20	900-R20-6PR		63	63	54	60	70.00
9	4011.7000	4011.7000.1180	AGRICULTURE	20	900-R20-8PR						74.00
10	4011.7000	4011.7000.1190	AGRICULTURE	24	12.4/11-24-6PR				90	100	
11	4011.7000	4011.7000.1200	AGRICULTURE	28	12.4/11-28-6PR	169	152	152	119	144	
12	4011.7000	4011.7000.1210	AGRICULTURE	28	13.6/12-28-6PR	185	175	175	130	157	
13	4011.7000	4011.7000.1220	AGRICULTURE	28	14.9/13-28-6PR		182	182	144	171	
14	4011.7000	4011.7000.1230	AGRICULTURE	28	16.9/14-28-8PR		332	332	268	315	
15	4011.7000	4011.7000.1240	AGRICULTURE	30	16.9/14-30-6PR	291	264	264	205	250	
16	4011.7000	4011.7000.1250	AGRICULTURE	30	16.9/14-30-8PR	318	290	290	223	275	
17	4011.7000	4011.7000.1260	AGRICULTURE	30	18.4/15-30-8PR	307	284	280	227	267	
18	4011.7000	4011.7000.1270	AGRICULTURE	30	18.4/15-30-10PR	316	289	289	234	275	
19	4011.7000	4011.7000.1280	AGRICULTURE	30	18.4/15-30-12PR	322	294	294	238	280	
20	4011.7000	4011.7000.1290	AGRICULTURE	30	18.4/15-30-14PR	328	299	299	242	285	
21	4011.7000	4011.7000.1300	AGRICULTURE	30	18.4/15-R-30-12PR		326	326	264	310	317.00
22	4011.7000	4011.7000.1310	AGRICULTURE	36	13.6/12-36-6PR		152	152	124	144	
23	4011.7000	4011.7000.1320	AGRICULTURE	38	13.6/12-38-6PR		157	157	126	149	
24	4011.7000	4011.7000.1350	AGRICULTURE	38	15.5-R38-8PR		220	220	175	205	200.00
25	4011.7000	4011.7000.1400	AGRICULTURE	38	16.9/14-38-6PR		227	227	180	216	
26	4011.7000	4011.7000.1410	AGRICULTURE	38	16.9/14-R-38-8PR		268	268	211	254	289.00
27	4011.7000	4011.7000.1420	AGRICULTURE	38	16.9-38-10PR		241	241	191	229	

Valuation Officer  
Customs Valuation  
Custom House, Karachi

Deputy Director  
Customs Valuation  
Custom House, Karachi

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S.No	H.S.Code	Proposed PCT for WeBOC	Vehicle Type	Rim Size	Tyre Size	Japan	Int'l Brands MFG in other origins	India	China	All other origins	Belarus / Russia / Ukraine / Turkey
28	4011.8000	4011.8000.1000	INDUSTRIAL	8	18X7.8-14PR	53	48	48	37	45	
29	4011.8000	4011.8000.1010	INDUSTRIAL	8	500-8-8PR-JL	28	25	25	20	24	
30	4011.8000	4011.8000.1020	INDUSTRIAL	8	500-8-8PR-UL	23	21	21	16	20	
31	4011.8000	4011.8000.1030	INDUSTRIAL	9	21X8-9-10PR	78	70	70	54	66	
32	4011.8000	4011.8000.1040	INDUSTRIAL	9	600-9-10PR-JL	36	32	32	25	31	
33	4011.8000	4011.8000.1050	INDUSTRIAL	9	600-9-10PR-UL	30	27	27	21	26	
34	4011.8000	4011.8000.1060	INDUSTRIAL	10	650-10-10PR	69	62	62	48	59	
35	4011.8000	4011.8000.1070	INDUSTRIAL	10	750-10-12-PR	57	51	51	40	49	
36	4011.8000	4011.8000.1080	INDUSTRIAL	12	700-12-12PR-JL	97	87	87	68	83	
37	4011.8000	4011.8000.1090	INDUSTRIAL	12	700-12-12PR-UL	48	43	43	33	41	
38	4011.8000	4011.8000.1100	INDUSTRIAL	15	28X9-15-12PR	124	112	112	87	106	
39	4011.8000	4011.8000.1110	INDUSTRIAL	15	550-15-8PR	58	52	52	41	49	
40	4011.8000	4011.8000.1120	INDUSTRIAL	15	825R15-18PR	114	102	102	79	96	
41	4011.8000	4011.8000.1130	EARTH MOVER	24	1300-24-12PR	272	245	245	190	231	
42	4011.8000	4011.8000.1140	EARTH MOVER	24	1400-24-20PR	485	437	437	340	412	
43	4011.8000	4011.8000.1150	EARTH MOVER	24	16-9-24-10PR	380	342	342	266	323	
44	4011.8000	4011.8000.1160	EARTH MOVER	25	1400-25-24PR	525	473	473	368	446	
45	4011.8000	4011.8000.1170	EARTH MOVER	25	15-5-25-12PR	420	378	378	294	357	
46	4011.8000	4011.8000.1180	EARTH MOVER	25	1600-25-28PR	770	693	693	539	655	
47	4011.8000	4011.8000.1190	EARTH MOVER	25	16-R25-28PR	1100	990	990	770	935	
48	4011.8000	4011.8000.1200	EARTH MOVER	25	17-5-25-12PR	410	369	369	287	349	
49	4011.8000	4011.8000.1210	EARTH MOVER	25	1800-25-32PR	1000	900	900	700	850	
50	4011.8000	4011.8000.1220	EARTH MOVER	25	1800-R25-32PR	1425	1283	1283	998	1211	
51	4011.8000	4011.8000.1240	EARTH MOVER	25	20-5-25-20PR	1225	1103	1103	858	1041	
52	4011.8000	4011.8000.1250	EARTH MOVER	25	23-5-25-24PR	1850	1665	1665	1295	1573	
53	4011.8000	4011.8000.1260	EARTH MOVER	25	23-5R-25-24PR	2700	2430	2430	1890	2295	
54	4011.8000	4011.8000.1270	EARTH MOVER	25	26-5R-25-28PR	1950	1755	1755	1365	1658	
55	4011.8000	4011.8000.1280	EARTH MOVER	25	26-5-25-20PR	1200	1080	1080	840	1020	
56	4011.8000	4011.8000.1290	EARTH MOVER	25	29-5-25-22PR	1470	1323	1323	1029	1250	
57	4011.8000	4011.8000.1300	EARTH MOVER	26	23-1-26-8PR	550	495	495	385	468	
58	4011.8000	4011.8000.1310	EARTH MOVER	29	29-5-29-28PR	1850	1665	1665	1295	1573	
59	4011.8000	4011.8000.1320	EARTH MOVER	30	23.1 - 30 / 8PR			560	436	530	
60	4011.8000	4011.8000.1330	EARTH MOVER	33	1800-33-28PR	1170	1053	1053	819	995	



S.No	H.S.Code	Proposed PCT for WeBOC	Vehicle Type	Rim Size	Tyre Size	Japan	Int'l Brands MFG in other origins	India	China	All other origins	Belarus / Russia/ Ukraine/ Turkey
61	4011.8000	4011.8000.1340	EARTH MOVER	33	1800-R33-32PR	2650	2385	2385	1855	2253	
62	4011.8000	4011.8000.1350	EARTH MOVER	33	335-33-20PR	2400	2160	2160	1680	2040	
63	4011.8000	4011.8000.1360	EARTH MOVER	33	35/65-33-24PR	3200	2880	2880	2240	2720	
64	4011.8000	4011.8000.1370	EARTH MOVER	35	21.00-35-32PR	2200	1980	1980	1540	1870	
65	4011.8000	4011.8000.1380	EARTH MOVER	45	45/65-45-38PR	7600	6840	6840	5320	6460	

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