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/Lahore(Appraisement/Preventive)/Sambrial(Sialkot)/Faisalabad/ Multan/Islamabad/Hyderabad/Quetta/Peshawar/Gawadar/Gilgit-Baltistan.

Determination of Customs Values of Glass Ampoules (Clear & Amber) Under Section 25-A of the Customs Act, 1969

VALUATION RULING NO.1328/2018

C.No. Misc./01/2016-V/1346 Dated: September 26, 2018

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, Custom values of Glass Ampoules (Clear & Amber) are determined as follows:

2. **Background of the valuation issue:** It was brought to notice of this Directorate General that glass ampoules (clear & amber) of China origin are being assessed at much lower prices. Therefore, an exercise was initiated to determine the custom values of glass ampoules (clear & amber) of China origin under Section 25A of Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Meetings were held with stakeholders on 13.06.2018 and 04.07.2018. Meetings were attended by different stakeholders including importers, officers from clearance Collectorates and representatives from trade bodies. All stakeholders had been requested to submit the following documents before or during the course of stakeholders' meetings:

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 values of supplies (excluding duty and taxes) to substantiate their contentions.

4. During the meetings, stakeholders were of the view that ampoules are imported in 1ml, 2ml, 3ml, 5ml and 10ml and these are used for water for injection and liquid medicine. The imported ampoules must meet at least USP Type-I (United States Pharmacopeia) standards. Regarding price variation in customs clearance data, they submitted that value depends on quality, type of ampoules and whether clear or amber and quantity imported. However, requisite documents were not submitted in this Directorate General in support of their contentions.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were applied sequentially to address the valuation issue at hand. Transaction value method provided in Section 25 (1) of the Act ibid was found inapplicable because the required information under the law was not available. Identical and Similar goods valuation methods provided in Sub-Sections (5) and (6) of Section 25 of the Customs Act, 1969, 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 vide variation in declared values of the subject goods. Thereafter, market enquiries as envisaged under Section 25(7) of the Customs Act, 1969 could not be conducted as the goods in question are not available in the local market. Value method as provided in Section 25(8) could not be applied for valuation of the aforementioned goods as the cost of raw material and fabrication charges under clause (a) and amount of profit and general expenses under clause (b) of Section 25(8) of the Customs Act, 1969, in the country of exportation could not be ascertained. Online

prices 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 Glass Ampoules (Clear & Amber) of China origin are determined under Sub-Section (9) of Section 25 of the Customs Act, 1969.

5. **Customs values for Glass Ampoules (Clear & Amber) of China origin** *hereinafter specified* shall be assessed to duty/taxes at the following Customs Values:

S#	Description of goods	PCT	Proposed PCT for WeBOC	Customs Values (C&F) US$/Kg
(1)	(2)	(3)	(4)	(6)
1	Glass Ampoule (Clear)	7010.1000	7010.1000.1000	1.95
2	Glass Ampoule (Amber)	7010.1000	7010.1000.1100	2.20

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 25A 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 Customs 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
26/9/18

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-FBR, 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), Karachi.
xi. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
xii. The Director, Directorate of Customs Valuation (Camp Office), Lahore.
xiii. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
xiv. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
xv. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
xvi. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
xvii. Review Section, Customs Valuation, 7th 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 7th Floor, Custom House, Karachi / MCC,
xxi. Appraisement, 1st Floor, Custom House, Karachi.
xxii. Guard File.