

GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACH

File No. DG (V)/Val.Rev/25/2018

28th

September, 2018

Order in Revision No. 37/2018 Under Section 25-D of the Customs Act, 1969
against Valuation Ruling No. 1283/2018 dated 13-04-2018

- 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. Galaxy Enterprises & Others

..... PETITIONER

VERSUS

Director, Customs Valuation, Karachi

..... RESPONDENT

Date(s) of hearing	24-07-2018, 16-08-18 and 12-09-18
For the Petitioners	None
For the Respondent	Mr. Abdul Hameed, Principal Appraiser,

This revision petition was filed under Section 25-D of the Customs Act, 1969 against Customs values determined vide Valuation Ruling No. 1283/2018, dated 13-04-2018 issued under Section 25-A of the Customs Act, 1969, inter alia, on the following grounds:

2. FACTS

- 1) It is stated that M/s. Galaxy Enterprises Importer & Exporter are regular importers of all sort of Steel Files this and other related items from Indonesia from several years.
- 2) That in the instant case this Valuation Ruling bearing 958/2016 was in field which was challenged before the DG Valuation. The respondent above named, in absence of lawful justification enhanced by more than 200% in the Customs value structure of the above referred goods.
- 3) That the Customs values of Steel Files (classifiable under HS Code 8203.1000) was enhanced arbitrarily by the respondent in absence of any lawful justification, legal basis,What

is Steel File= Metal Files - Hand Tool - Grainger Industrial Supply. A file is a tool used to remove a fine amount of material from a work piece. It is common in woodworking, metal working and other similar trade and hobby tasks. Most are hand tools made of a case hardened Steel Bar of rectangular. Files have also been developed with abrasive surfaces such as natural or synthetic. Files from Grainger are essential hand tools for finishing any woodworking or metal working project. These metal files have a variety of surface textures to handle any job. These surfaces for heavy duty jobs and metal surfaces for softer materials which are made of forged steels and the value of Forged Steel / Hardened Steel Bar based on LME / LMB ranged value from 0.50 to 0.80/Kg. The values fixed in the impugned Valuation Ruling are range from US\$ 4.13 to 5.5/Kg which is against natural justice. Its previous practice of the Valuation Department that values are always determined keeping in view values of raw material of the product. The current prevailing data of the Steel Files ranges from 0.8/Kg to 1.50/Kg.

4) That the impugned Valuation Ruling has been framed in clear disregard to the legal dictates on various Customs Rules and dis-obedience to the sequential methods as provided under the law.

5) That the respondent above named failed to abide by the norm of audi alteram partem natural justice as no opportunity of being heard in person was provided to the applicant above named at the time of framing impugned Valuation Ruling,

6) That the said Valuation Ruling is nothing but bad, void, arbitrary attempt and deception with the facts and law of the case, which is in clear disregard to mandates of Section 25, 25-A of the Custom Act, 1969, as well as enunciated principles of law under the mandate article 189, 201 and 10-A of the Constitution of Islamic Republic of Pakistan.

7) The Valuation Ruling No. 958/2016 was challenged under Section 25D of the Customs Act, 1969. The DG Valuation reviewed the subject Valuation Ruling vide Order-in-Review No. 312/2017 dated 24-02-2017 and re-fixed the values of the subject goods under Section 25D.

It is therefore, humbly prayed that kindly pass an order to annul the impugned Valuation Ruling and direction may please be passed for redetermination of the Customs values as per transaction values thereof after giving proper and fair opportunity of being heard to all stakeholders on the basis of evidences of the contention by the applicants above named. The prayer is being made in the interest of justice.

3. 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

Para-(1)-(4): Denied. It is submitted that the transaction value under Section 25(1) of the Customs Act, 1969, had not been accepted due to the reason that the requisite information with respect to complete description of goods, sizes, contract with the supplier, proforma invoice, L/C and Proof of Payment through normal banking channel etc. had not been

