



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

Determination of Customs Values of Floral Foam (HS Code 3921.9090) Under Section 25-A of the Customs Act, 1969.

(VALUATION RULING NO. 745 / 2015)

No. Misc/23/2015-II 9021

Dated: June 10, 2015

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Floral Foam (3921.9090) are determined as follows:

- Background of the valuation issue:** A number of cases of Floral Foam, imported from Malaysia, were referred to the Valuation Department for determination of Customs Values from the clearance collectorates. To correctly determine Customs Value of Floral Foam, an exercise was initiated by Valuation Department to determine the Customs Value under Section 25-A of the Customs Act, 1969.
- 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 under Sub-Section (1) of Section 25 of the Act was found inapplicable because 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 provided some reference values but due to wide variations the same could not be relied upon. In the sequential order this office then conducted a market inquiry in terms of Sub-Section (7) of Section 25 of the Customs Act, 1969. Stakeholder meetings were also scheduled for their input and feedback. On-line values were also checked. All the information was analyzed and evaluated. Consequently, Customs values of Floral Foam are determined under sub-section (9) of Section 25 of the Customs Act, 1969.
- Stakeholders' participation:** A meeting was scheduled with stakeholders including the representatives of importers, clearance Collectorates, Karachi Chamber of Commerce and Industry, and trade bodies on 03-06-2015 for their input on the subject issue.
- Customs values for Floral Foam:** Floral Foam *hereinafter specified* shall be assessed to duty/ taxes at the following Customs values:-

| Description of goods | PCT | Proposed PCT for WEOC | Origin | Customs Values (C&F) US\$/Kg |
|----------------------|-----------|-----------------------|----------|------------------------------|
| (1) | (2) | (3) | (4) | (6) |
| Floral Foam | 3921.9090 | 3921.9090.1000 | MALAYSIA | 5.50 |



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 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 25-A or section 25-D 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 issuance of this Ruling, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

9. Any anomaly observed may kindly be brought to the notice of this Directorate General immediately for redressal.


(Abdul Rashid Sheikh)
Director

Copy for information to :-

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauje-Darya Road, Lahore.
9. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General Internal Audit, (Customs), Islamabad.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading this Ruling in the system.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review 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, Appraisalment, 1st floor, Custom House, Karachi.
21. Guard File.