



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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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 Coke (H.S.Code. 2704.0010)**  
**under Section 25-A of the Customs Act, 1969**

(VALUATION RULING NO. 753 / 2015)

No. Misc/03/2012-I 9147

Dated: July 06, 2015

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Coke (H.S. Code. 2704.0010) are determined as follows:

2. **Background of the valuation issue:** The Customs values of Coke (H.S.Code. 2704.0010) were determined under Section 25-A of the Customs Act, 1969 vide Valuation Ruling No. 594/2013 dated 01-10-2013. The importers have been agitating that coke prices in international market have considerably gone down but the values in the ruling have remained static and very high. In a constitutional petition, the values in the same ruling had been agitated and Honourable High Court of Sindh vide order dated 05-05-2015 in Constitutional petitions Nos. 610, 1467 and 3204 of 2014 remanded that specific case for re-determination of customs values of coke. Moreover, as the impugned Valuation Ruling was old and a considerable time has passed and in view, of the significant variation in the international prices of Coke, this office initiated an exercise to re-determine Customs Value of Coke under section 25A of the Customs Act, 1969 afresh.



3. **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 Customs Act, 1969 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 conducted a market inquiry in terms of Sub-Section (7) of Section 25 of the Customs Act, 1969 but the gathered information could not be exclusively relied on. Stakeholder meeting was also conducted for their input and feedback. On-line values were also checked. All the information available was analyzed and evaluated.

Consequently Customs values of Coke are determined under sub-section (9) of Section 25 of the Customs Act, 1969.

4. **Stakeholders' participation:** Meetings were scheduled with stakeholders including the representatives of importers, local manufactures, clearance Collectorates, Chamber of Commerce, and trade bodies on 02.06.2015 for their input on the subject issue. In the meetings all issues relating to the values of Coke were discussed in detail. Importers asserted that they are facing hardships, as prices of Coke have declined in the international market and that the Customs Values determined vide Valuation Ruling No. 594/2013 dated 01-10-2013 as of today are not in accordance with international prices. During the meeting, majority of the participants/stakeholders agitated the fixation of a value of Coke as its price continuously varies internationally. They stated that in order to ensure transparency/ fairness as well as uniformity in assessment, the assessable values should be based on international prices of Coke published in Monthly Bulletin "Coke Market Report" prices with addition of freight.

5. **Customs values for Coke:** Coke *hereinafter specified* shall be assessed to duty/ taxes at the following Customs values given in the following table :-

S. No.	Description of goods	Size (in millimeter)	PCT	Proposed PCT for WEOC	Origin	Customs Values (C&F) USS/MT
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Coke Breeze	0 to 25 mm	2704.0010	2704.0010.1000	India, China, Middle East, Far East	Average price as published in "Coke Market Report" (Monthly) + US \$ 40 on account of Freight & Other Charges.
			2704.0010	2704.0010.1100	Europe, America, Canada	Average price as published in "Coke Market Report" (Monthly) + US \$ 45 on account of Freight & Other Charges.
2	Semi Coke	Over 25 to 80 mm	2704.0010	2704.0010.1200	India, China, Middle East, Far East	Average price as published in "Coke Market Report" (Monthly) + US \$ 40 on account of Freight & Other Charges.
			2704.0010	2704.0010.1300	Europe, America, Canada	Average price as published in "Coke Market Report" (Monthly) + US \$ 45 on account of Freight & Other Charges
3	Foundry Coke & Metallurgical	Over 80 mm	2704.0010	2704.0010.1400	India, China, Middle East, Far East	Average price as published in "Coke Market Report" (Monthly) + US\$ 40 on account of Freight & Other Charges.
			2704.0010	2704.0010.1500	Europe, America, Canada	Average price as published in "Coke Market Report" (Monthly) + US \$ 45 on account of Freight & Other Charges



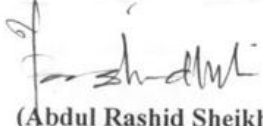
**Illustration:-** Average price of Foundry Coke, 80/220, 12% Ash Range \$ 280-300 (Average US\$/ton FOB 290) as published in "Coke Market Report" (Month of May 2015) + US\$ 40 on account of Freight and other Charges = US\$ 330/MT.

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, 7<sup>th</sup> 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), 1<sup>st</sup> 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, 7<sup>th</sup> Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.