



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

Determination of Customs Values of Re-rollable Scrap and Compressor Scrap Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO.767 / 2015)

No. Misc/05/2014-VI

Dated: October 15, 2015

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, customs values of re-rollable scrap and re-meltable compressor scrap are determined as follows:

2. **Background of the valuation issue:** The Customs values of re-rollable scrap and re-meltable compressor scrap were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No 653/2014 dated 27-03-2014. The Association of importers of re-rollable scrap filed application for downward revision of values on the plea that the value of re-rollable scrap has declined in the international market. With a view to reflect the current prices prevailing in the international market, an exercise to determine the Customs values of subject goods was under taken. per

3. **Stakeholders' participation in determination of value:** Meetings with stakeholders including importers, local manufacturers and representatives of trade bodies were held on 24-06-2015, 04-08-2015, 30-09-2015 and 14-10-2015 to discuss the current international price of the subject goods. The participants were shown the import data of re-rollable scrap for the period July ~September 2015 which transpired declared value of imports at US\$ 440/MT in almost 90% of the cases. Similarly import data of re-meltable scrap of compressor for the period July~ September 2015 showed declared values at US\$ 620/MT in most of the cases.

4. **Method adopted to determine Customs value:** Valuation methods provided 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, 1969 was found inapplicable because required information under the law was not available. Identical and similar Goods valuation methods provided in Sub-Section (5) and (6) of Section 25 of the Customs Act, 1969 provided numerous evidences, in the clearances of past 90 days which reflected current transaction values of re-rollable scrap and re-meltable compressor scrap. There were sufficient evidences available with the department.



to determine the values of re-rollable scrap and re-meltable compressor scrap on the basis of evidences available with the department. Therefore, customs values of re-rollable scrap and re-meltable compressor scrap are determined under Section 25(5) and (6) of the Customs Act, 1969 as follows : -

S. No.	Description of goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$/MT
1.	Re-Rollable Scrap	7204.4910	7204.4910.1000	All Origins	440/-
2.	Compressor Scrap	7204.4940	7204.4940.1000	All Origins	620/-

5. In cases where declared values are higher than the Customs value 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.

6. **Validity of 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-Section (1) or (3) of Section 25 of the Customs Act, 1969.

7. **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, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

8. The Collectors of Customs may kindly ensure that the values given in the Ruling are applied by the concerned staff without fail. If any anomaly are identified the same may be brought to the notice of this Directorate General immediately for redressal.

9. **This Ruling Supersedes Valuation Ruling No.653/2014 dated 27-03-2014.**

  
( Manzoor Hussain Memon )  
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.