



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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 CUSTOM VALUES OF SYNTHETIC RUBBER "NBR" & "SBR"
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 772/2015)

No.Misc/03/2013-III

Dated: 23rd, November, 2015

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Synthetic Rubber "NBR" & "SBR" are determined as follows :-

2. **Background of the valuation issue:** Customs values of Synthetic Rubber (NBR & SBR) were determined vide Valuation Ruling No.579/2013 dated 13.09.2013. The trade community has been demanding revision in prices of this commodity owing to downward trend in its prices in international market. In order to address their concerns meetings with the stakeholders were held on 10.2.2015 & 24.2.2015. The importers were asked to furnish the supporting documents in support of their contention which were provided by some of them. While the case was under scrutiny the Honorable High Court of Sindh issued orders in C.P. No.6230/2015 of M/s. Evershine International, for revision of Valuation Ruling within thirty days.

3. **Stakeholders' participation in determination of Customs values:** In pursuance of the Court's orders a meeting with stakeholders was held on 20.11.2015. It was attended by commercial importers as well as local manufacturers of tyre industries and they requested for downward revision keeping in view the decline in its price in international market.

4. **Method adopted to determine Customs values:** After detailed discussion, valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at fair value of Synthetic Rubber (NBR & SBR). Transaction value method provided in Section 25 (1) was found inapplicable due to absence of resources to verify genuineness of invoices submitted at the time of filing of Goods Declaration and mechanism to check the conditions given in sub-section (1) of Section 25 of the Customs Act 1969 to accept the declared value as transactional value. Identical / similar goods value Methods provided in Section 25(5) & (6) were examined for applicability to the valuation issue in the instant case. Import Data obtained from PRAL was analyzed and international prices from various sources on internet were also checked. All the information so gathered was evaluated and analyzed for the purpose of determination of customs



values. Consequently, the Customs values of Synthetic Rubber (NBR & SBR) have been determined under Section 25(5)(6) of the Customs Act, 1969.

5. Customs values for Synthetic Rubber (NBR & SBR): Valuation Ruling of Synthetic Rubber (NBR & SBR) *hereinafter specified* are proposed as under :-

| S.No | Description of goods | PCT Heading | Proposed PCT for WeBOC | Origin | Customs Value (C&F) USS / Kg |
|------|------------------------|-------------|------------------------|-------------|------------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 01 | Synthetic Rubber (SBR) | 4002.1900 | 4002.1900.1000 | All origins | US\$1.60 |
| 02 | Synthetic Rubber (NBR) | 4002.5900 | 4002.5900.1000 | | US\$1.90 |

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 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 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.



10. *This ruling supersedes Valuation Ruling No.579/2013, dated 13-09-2013.*


(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.
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, Mauj-e-Darya Road, Lahore.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
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 in One Customs & WeBOC database system and deleting Valuation Ruling No.579/2013, dated 13.09.2013.
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.