



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorate, 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 Aluminium Beverage Cans
(H.S.Code No.7612.9010) under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 797/2016)

No. Misc/10/2015-VI

17838

Dated: January 19, 2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Aluminium Beverage Cans are determined as follows: -

2. **Background of the valuation issue:** The importers of Aluminium Beverage Cans have agitated against the customs values of Aluminum Beverage Cans determined vide Valuation Ruling No.730/2015, dated 18-05-2015 mainly on the ground that the values of the subject goods are traded in the international market at lower prices. M/s Murree Brewery preferred to file CP No. D-7622/2015 against the subject Ruling before the Honourable High Court of Sindh, Karachi. Thus, with a view to ascertain the correct prices prevailing in the international market, an exercise to determine the Customs values of the subject goods afresh was taken up.

3. **Stakeholders' participation in determination of Customs values:** A meeting was held with stakeholders including the representatives of importers and trade bodies on 18-01-2016 for their input on the subject issue. All the participants were requested to submit the following documents so that correct customs values could be determined: -

- i) Invoices of imports during last three months showing factual value.
- ii) Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii) Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- iv) Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.

4. The requisite documents were not provided by any of the participants. M/s Pakistan Beverage Limited stated that aluminium printed cans are not manufactured locally and that they import cans in bulk quantity and get special quantity discounts from the supplier. They clarified that they mostly import cans of 300ml, 335ml and 355 ml and that their import prices average around US\$ 6.0/kg. The representatives of M/s Mehran Bottlers informed that



though the Valuation Ruling for beverage can of 250 ml is US\$7.5/kg but they were declaring their correct transactions at US\$ 8.165/kg. The representatives of M/s Murree Brewery Company proposed that since the unit of measurement in the Pakistan Customs Tariff is by weight, therefore, all the Aluminium Beverage Cans irrespective of capacity should be assessed equally on the same value weight-wise instead of capacity-wise. They further contended that keeping the basic principles of economics in mind, a bigger beverage can should cost lesser than a smaller one and requested for redressal of this anomaly as recorded in Valuation Ruling No. 730/2015 dated 18-05-2015. The representative of Ms Murree Brewery stated that they import cans of 500ml only and their prices ranges between US\$ 6.5/ kg to US\$ 7.0/kg.

5. **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 provided in Section 25 (1) of the Act ibid was found inapplicable because the 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 enough evidential data to help in determination of customs values of different types of aluminum beverage printed cans. Different stakeholders were invited for their input and feedback. On-line values were also scrutinized. Customs values of Aluminium Beverage printed Cans are determined under Sub-Sections (5& 6) of Section 25 of the Customs Act, 1969.

6. **Customs values for Aluminium Beverage Cans:** Aluminium Beverage printed Cans hereinafter specified shall be assessed at the following Customs Values:-

S. No.	Description of goods	PCT	Proposed PCT for WEBOC	Origin	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
01.	Aluminium Beverage Can printed	7612.9010	7612.9010.1010	U.A.E. / Turkey / & China	
	250 ml				7.80
	300 ml		7612.9010.1020		6.20
	330 ml				
	355 ml				
	500 ml		7612.9010.1030		6.75

7. 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.

8. **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.

9. 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.

10. 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.

11. This ruling supersedes Valuation Ruling No.730 / 2015, dated 18-05-2015.


(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 (Appraisal), 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.730/2015, dated 18-05-2015 from 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, Appraisal, 1st Floor, Custom House, Karachi.
21. Guard File.