



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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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 Mosquito Coils and Aerosol Insecticide Spray under Section 25-A of the Customs Act, 1969**

No. Misc/15/2009-II-B

19819

Dated: 11-11-2016

(VALUATION RULING NO. 963/2016)

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Mosquito Coil and Aerosol Insecticide Spray are determined as follows :-

**2. Background of the valuation issue:** The customs values of Mosquito Coil and Aerosol Insecticide Spray were earlier determined vide Valuation Ruling No.846/2016, dated 05-05-2016. There were several representations from different importers/ traders and local manufacturers, for determination of customs value of the Mosquito Coil and Aerosol Insecticide Spray. More over the importers have claimed that the prices of subject items are showing down ward trend in the international market hence existing valuation ruling, which is over six months old is required to be revised in the light of honorable High Court of Sind, at Karachi's orders dated 10.11.2015 in Constitutional Petition No. D- 6918/2015. Since 90 days have passed and a number of representations were received from commercial importers and local manufacturers regarding values determined in afore mentioned valuation ruling, hence an exercise was initiated to re-determine the values of subject items. They also contended that due to wide spread endemic of Dengue Fever it is an immediate need of country for betterment and well being of general public. The Honorable Customs Appellate Tribunal Karachi Bench -II vide order dated 30.10.2016 in Customs Appeal No K- 1553/2016, K- 1728/2016, K- 1729/2016 and K- 1730/2016 directed to revisit the Valuation Ruling 846/2016 dated 05.05.2016 in accordance with the prescribed provision of law envisaged in Section 25 and 25A of the Customs Act 1969, after giving the opportunity being heard to all the concerned stakeholder within one month from the receipt of the order. This valuation ruling is being issued without prejudice to the subsequent course of action taken by the Directorate General Customs Valuation in superior courts against aforesaid orders of the Customs Appellate Tribunal.

**3. Stakeholders' participation in determination of Customs values:** Meeting with all the stakeholders including importers, local manufacturers and representatives from clearance Collectorate, was held on 02.11.2016 to discuss the current international prices of the subject items. The view point of all participants was heard in detail and considered to arrive at Customs value for subject Mosquito Coil and Aerosol Insecticide Spray.



4. **Method adopted to determine Customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly applied in their regular sequential order to address the particular valuation issue at hand. The transaction value method as provided in Sub-Section (1) of Section 25, found inapplicable in light of the wide variety of invoices submitted at import stage the veracity of which could not be ascertained fully, hence requisite information required under law was not available to arrive at the correct transaction value. Identical / similar goods value method provided vide Sub-Sections (5) & (6) of Section 25 *ibid* were examined for applicability to determine Customs value of subject goods, this data provided some references, however, it was found that the same cannot be solely relied upon due to the absence of absolute demonstrable evidence of qualities, and quantities of commercial level etc., and also it was observed that importers usually provided misleading description while declaring goods, as other types and varieties of similar goods to avoid the application of valuation ruling. Information available was, hence, found inappropriate. In line with the statutory sequential order of Section 25, this office then conducted a market inquiry using Deductive Value Method under Sub-Section (7) of the Section 25 of the Customs Act, 1969, however, it was found that the determination of Customs value could not be based solely upon this method either. Therefore, valuation method provided vide Section 25 (8) of Customs Act 1969, could not be applied as the conversion cost from constituent materials and allied expenses, at country of export were are not available. Finally, PRAL database, market information and international prices through Web were examined thoroughly. All the information so gathered was analyzed for determination of Customs Value of the subject items. Consequently, the Fall Back Method as provided under section 25(9) of the Customs Act, 1969 was applied to arrive assessable customs values of the Mosquito Coil and Aerosol Insecticide Spray.

5. **Customs values for Mosquito Coil & Aerosol Insecticide Spray:** Mosquito Coil & Aerosol Insecticide Spray *hereinafter specified* shall be assessed to duty/taxes at the following Customs Values :-

S. No	Description of goods	PCT Code	Proposed PCT for WEOC	Origin	Customs Values (C&F) US\$/KG Net Content
(1)	(2)	(3)	(4)	(5)	(6)
	<b>MOSQUITO COIL</b>				
1.	123, Adore, Amorish, Aux Black Cobra, Black Cobra, Bomb, Double A+D, Black Hit, Classic, Cobra, Detox, Ezee Nights, Everyday Black Cobra, faster Black Cobra, Fighter, King Blacky, King Extra Power, Kingtox, Kwik, Lark, Lark Red Killer, Maxx, Metro, Mosfly, Moskill, Power Plus, Rocket, Siyo, Sogo, Super Sonic, Tiger, Tyfon and Zap .  (Finished in Retail Packing)	3808.9110	3808.9110.1000	All origin	0.80



2.	Other Brands (Other than Multinational Brands)	3808.9110	3808.9110.1100	All Origin	0.90
3.	Mosquito Coil without Insecticide Spray and Packing in Bulk ( Other than Multinational Brands)	3824.9099	3824.9099.1000	All Origin	0.60
<b>AEROSOL INSECTICIDE SPRAY</b>					
4.	King Tox	3808.9110	3808.9110.1200	All Origin	1.25
5.	Power Plus/ HIT//Tyfon	3808.9110	3808.9110.1300	All Origin	1.15
6.	123, Alladin, Amorish, Aux Black Cobra, Black Attacker Python, Bomb, Black Hit, Black Snake, Cobra, Detox, Every Night, Everyday Black Cobra, Ezee Nights, faster Black Cobra, Fighter, Harmony Attacker, KILLTOX , King , Kwik, Lark, Magic , Moskill, Osaka, Perfect, Rop and Black attacker Python, Royal Tox, Silver, Sogo, Super Hit, Total Tox , Tiger and Zap.	3808.9110	3808.9110.1400	All Origin	1.00
7.	Other Brands	3808.9110	3808.9110.1600	All Origin	1.25

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. The Custom values determined in the Valuation Ruling are for the descriptions and specifications as mentioned herein, HS Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to the assessing officers. The assessment shall be finalized in the correct classifications after fulfilling requisite formalities relating to importability or other certifications required thereon.

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:** This Valuation Ruling is appealable under the law and a revision petition may be filed against this Ruling, 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, 7<sup>th</sup> 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 Nos. 846/2016 dated 05.05.2016.*

(Dr. Wasif Ali 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), 1<sup>st</sup> Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
9. 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 data base system and deleting Valuation Ruling Nos 846/2016 dated 05.05.2016
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.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7<sup>th</sup> Floor, Custom House, Karachi / MCC, Appraisalment, 1<sup>st</sup> Floor, Custom House, Karachi.
21. Guard File.

(Dr. Wasif Ali Memon)  
Director