



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 Abrasive Products Grinding Wheel / Grinding Cutting Disc Under Section 25-A of the Customs Act, 1969**

(VALUATION RULING NO./ 2018) 1247

No.Misc/10/2009-V 191

Dated: January 17 , 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, customs values of Abrasive Products Grinding Wheel / Grinding Cutting Disc, are determined as follows: -

2. **Background of the valuation issue:** The customs values of Abrasive Products Grinding Wheel / Grinding Cutting Disc were determined vide valuation ruling No. 930/2016, dated 20-09-2016 and subsequently were revised vide Order-In-Revision No.251/2016, dated 10-10-2016. An exercise under Section 25A of the Customs Act, 1969 was undertaken in this Directorate to re-determine the values of Abrasive Products Grinding Wheel / Grinding Cutting Disc afresh in order to reflect the prices prevailing in the international market.

3. **Stakeholders' participation in determination of Customs values:** Meetings with stakeholders were held on 05-10-2017, 13-10-2017, 14-11-2017, 04-12-2017 in the Directorate General of Custom Valuation, Custom House, Karachi and on 26-12-2017 at the Directorate of Customs Valuation, Custom House, Lahore on the request of Lahore Chamber of Commerce & Industry, Lahore. The importers were requested to submit the following documents so that 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 values of supplies (excluding duty and taxes) to substantiate their contentions.

4. The representative from Grinding Wheel Pak Limited, manufacturer of grinding wheel in Pakistan submitted that values of grinding wheel may be increased; however, they did not give any corroboratory evidence in support of their contentions. The importers of grinding wheel and grinding disc explained that the values are already on higher side therefore may be rationalized downwards.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at customs values of Abrasive Products Grinding Wheel / Grinding Cutting Disc. Transaction value method provided in Section 25(1) was found inapplicable because the requisite information was not available. Identical / similar goods value methods provided in Section 25(5) & (6) were examined for applicability to the valuation issue in the instant case which provided some reference values of the subject goods but the same could not be exclusively relied on due to wide variation in declared values of subject goods. Thereafter, market enquiry as envisaged under section 25(7) of the Customs Act, 1969, was conducted. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the Customs values of Abrasive Products Grinding Wheel / Grinding Cutting Disc have been determined under Section 25(7) of the Customs-Act, 1969.

6. **Customs values for Abrasive Products Grinding Wheel / Grinding Cutting Disc :** Customs values of Abrasive Products Grinding Wheel / Grinding Cutting Disc *hereinafter specified* shall be assessed to duty / taxes at the following Customs Values :-

S.No.	Description	PCT Heading	Proposed PCT for WeBOC	Origin	Customs Values (C&F) USS/Kg
(1)	(2)	(3)	(4)	(5)	(6)
01.	Abrasive Grinding Wheel	6804.1000	6804.1000.1000	China	1.90
		6804.2200	6804.2200.1000	Other Origins	2.10
02.	Abrasive Grinding Cutting Disc	6804.1000	6804.1000.1100	China	1.50
		6804.2200	6804.2200.1100	Other Origins	2.00

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, 7<sup>th</sup> 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 this Directorate General immediately. Customs values determined in the ruling are for the description and specifications as mentioned herein. PCT Codes are mentioned for illustrative purposes so that valuation ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.

11. *This ruling supersedes Valuation Ruling No.930/2016, dated 20-09-2016*

  
(Muhammad Iqbal Muneeb)  
Director  
12/11/18

Copy for information to: -

1. Member (Customs), FBR, 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.