



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/ Exports (Karachi/ Port Qasim) .

Determination of Customs Values of Copper Filter Dryers
Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 1255/2018)

C.No.Misc/03/2011-VII

Dated: February 02, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Copper Filter Dryers are determined as follows:-

2. **Description of the valuation issue:** The Customs values of copper filter dryers were determined vide Valuation Ruling No.1103/2017 dated 21.03.2017. The Honorable Appellate Tribunal, Karachi set-aside the valuation ruling and Order in Revision No.353/2017 dated 07.04.2017 and ordered to revise the valuation ruling after giving all the stakeholders opportunity of being heard. Being aggrieved with the Appellate Tribunal's orders, this Directorate has filed reference before the Honorable High Court of Sindh, Karachi. A number of representations were received to determine the customs value of copper filter dryers afresh keeping in view the international market trends. An exercise was initiated with a view to determine the custom value of the subject goods afresh under Section 25A of the Customs Act, 1969 in terms of prevailing international prices.

3. **Stakeholder's participation in determination of Customs values:** Stakeholders' meeting was scheduled on 17.11.2017 and 29.01.2018 All participants were requested to submit the following documents:

- Invoices of imports during last three months showing factual value.
- Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- Copies of Sales Tax Invoices issued during last four months showing the values of supplies (excluding duty and taxes) to substantiate their contentions.

4. During the course of meetings, the stakeholders requested that filter dryers are mainly imported and used by the manufacturers of refrigerators and the values so determined in the valuation ruling are on higher side, therefore, these values may be rationalized. The participants were requested to submit documents / record to substantiate their contentions but till the issuance of this ruling, the relevant documents were not submitted. One commercial importer submitted a sales invoice only.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed sequentially. Transaction value method provided



in Section 25 (1) was found inapplicable because the requisite information was not available as per law. Identical / similar goods value methods provided in Sub-Section (5) & (6) of Section 25 of the Customs Act, 1969 provided some reference values but due to wide variations in the declarations the same could not be relied upon exclusively. Thereafter, market enquiry as envisaged under Section 25(7) of the Customs Act, 1969, was conducted. Online values were also checked. Consequently customs values of copper filter dryers have been determined under Section 25(7) of the Customs Act, 1969.

6. **Customs Values of Copper Filter Dryers hereinafter specified** shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below:

S. No.	Description of Goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) USS/Pc
(1)	(2)	(3)	(4)	(5)	(6)
Copper Filter Dryer used with CFS/Non CFS Refrigerant Gases (Excluding for use of auto air conditioners)					
1	Three Holes 12 grams (one side one hole, other side two holes)	8421.3910 8421.3920	8421.3910.1000	China	0.42
2			8421.3920.1000	Other origins	
3	Two Holes 15 grams (Each side one hole)		8421.3910.1200	China	0.30
4			8421.3920.1200	Other origins	
5	Two holes 20 grams (Each side one hole)		8421.3910.1300	Other origins	0.34
6			8421.3920.1300	Other origins	
7	Four Holes up to 25 grams		8421.3910.1400	China	0.38
8			8421.3920.1400	Other origins	
			8421.3910.1500	Other origins	0.45
			8421.3920.1500	Other origins	
			8421.3910.1600	China	0.50
			8421.3920.1600	Other origins	
			8421.3910.1700	Other origins	0.60
			8421.3920.1700	Other origins	

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 Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account air freight while applying the Customs values determined in this Ruling.

8. **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-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, 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 this Valuation 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 specification as mentioned in the table above of this Ruling. HS Codes are mentioned for illustrative purpose 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. 1103/2017 dated 21.03.2017.*


(Muhammad Iqbal Muneeb)

Director

Copy for information to :-

1. The Member (Customs), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Director General, Intelligence and Investigation, Islamabad.
8. The Director General, Post Clearance Audit, Islamabad.
9. The Director, Intelligence & Investigation, Karachi/ Lahore/ Islamabad/Quetta/Peshawer/Faisalabad.
10. The Project Director, WeBOC, 11th Floor, Custom House, Karachi.
11. The Director, Customs Valuation, Custom House, Lahore.
12. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, uploading this Val. Ruling in One Customs & WeBOC database system and deleting VR 1103/2017 dated 21.03.2017 from the System.
13. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
14. The Chairman (Valuation Committee), KCC&I, Aiwan-e-Tijarat Road, Karachi.
15. Customs Revenue Audit, 8th Floor, Custom House, Karachi.
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.