



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 Customs Values of Iron and Steel and Stainless Steel
Kitchenware/Utensils Under Section 25-A of the Customs Act, 1969**

(VALUATION RULING NO. ¹³⁰² / 2018)

No .Misc/29/2017-VI/515

Dated: May 10, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Iron and Steel and Stainless Steel Kitchenware items (Utensils) are determined as follows:

2. **Background of the valuation issue:** It was brought to the notice of this Directorate General that values of kitchenware of iron / steel and stainless steel are being declared to Customs at much lower values than current international values. Verifications by this Directorate General reaffirmed this stance, therefore, an exercise for the determination of customs value of the subject item was initiated under Section 25-A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** A number of meetings with different stakeholders including importers and representatives of clearance formations were scheduled in this office. The participants were requested to submit following documents before or during the stakeholders' meetings:

- i) Invoice of Imports made during last three months showing factual value.
- ii) Websites, names and E-mail address of known foreign suppliers / manufacturers of the item in question through which the actual current value could be ascertained.
- iii) Copies of contracts made / LCs opened during the last three months showing the value of items in question.
- iv) Copies of Sales Tax paid invoices issued during last four months (excluding duty and taxes) to substantiate the contentions of the importers.

4. In spite of lapse of considerable time, no documents or evidences, as requisitioned, were submitted. Importers abstained from participating in the proceedings. Discussions were held with representatives of the clearance Collectorates.

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 under Sub-Section (1) of Section 25 of the Act ibid was found inapplicable because required information under the law was not available. Identical /Similar Goods valuation methods provided in Sub-Sections (5) and (6) of Section 25 of the Customs Act, 1969 were examined for applicability to the valuation issue in the instant case but the same could not be exclusively relied on due to wide variations in the declared values of the subject goods. Thereafter, market enquiries as envisaged under section 25(7) of the Customs Act, 1969, were conducted. On line prices were also obtained to corroborate the findings of the market survey. Consequently, the customs values of Iron and Steel and Stainless Steel Kitchenware (Utensils) have been determined under Section 25(7) of the Customs Act, 1969.

6. **Customs values for Iron and Steel and Stainless Steel Kitchenware Utensils:** Iron and Steel and Stainless Steel Kitchenware/Utensils *hereinafter specified* shall be assessed to duty /taxes at the following Customs Values:

S.No	Description	PCT Heading	Proposed PCT for WeBOC	Origin	Custom Value in C&F US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	Iron and Steel Kitchenware Utensils (Magnetic) (Low end brands)	7323.9100 7323.9200	7323.9100.1100 7323.9200.1200	China	2.60
2	Stainless Steel Kitchenware Utensils (Non-Magnetic) (Low end brands)	7323.9300	7323.9300.1100	China	3.75

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 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.


(Muhammad Iqbal Muneeb)

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.

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