

GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

File No. DG (V)/Val.Rev/141/2017

Dated 22<sup>nd</sup> June, 2018

**Order in Revision No. 16 /2018 under Section 25-D of the Customs Act, 1969  
against Valuation Ruling No. 1200/2017 dated 09-08-2017**

- i. This copy is granted free of charge for the private use of the person to whom it is issued.
- ii. An appeal against this Order-in-Revision lies to the Appellate Tribunal, Customs having jurisdiction, under Section 194-A of the Customs Act, 1969, within stipulated period as prescribed under the law. An appeal should bear a court fee stamp of Rs.1000/- (Rupees one thousand) only as prescribed under Schedule-II item 22 of the Court Fee Act, 1870 and must be accompanied by a copy of this Order.
- iii. An extra copy of appeal, if filed, should simultaneously be sent to this office for information and record.
- iv. If an appeal is filed, the appellant should state whether he desires to be heard in person or through an advocate.

M/s. Muhammad Yousuf Traders & Others

..... PETITIONERS

VERSUS

Director, Customs Valuation, Karachi

..... RESPONDENT

Date(s) of hearing

12-10-2017, 28-11-2017 & 29-03-2018

For the Petitioners

Mr. M. Ismail  
Mr. Zain Sajjad

For the Respondent

Mr. M. Sohail Ismail, Principal Appraiser  
Mr. Nasir Mahmood Valuation Officer

This revision petition was filed under Section 25-D of the Customs Act, 1969 against Customs values determined vide Valuation Ruling No. 1200/2017, dated 09-08-2017 issued under Section 25-A of the Customs Act, 1969, inter alia, on the following grounds:

2. That aggrieved and dissatisfied with the Valuation Ruling No.1200/2017 dated 09-08-2017, hence this review the Honorable Review Authority for decision after consideration of the facts and grounds enumerated herein below:

3. **FACTS**

1) That the appellant is a commercial importer of Hand Tools (Low End Brands) Made of Iron & Steel and mostly importing from China.

- 2) That the applicant desires to import the said product from China and when the respondent was determining the value, the application attended different meetings with the suppliers and local buyers and the suppliers have agreed to supply the product at different values very less than the value as determined in the valuation ruling as referred above.
- 3) That the respondent have bluntly refused to accept the transaction value against the true spirit of provision Section 25(1) of the Customs Act 1969 and Rule 13 of Customs Rule, 2001.
- 4) That the transaction values of the applicant are absolutely in accordance with law, fair, just proper and covering all the aspects of the goods and even the same cannot affect the Government Revenue.
- 5) That it is pertinent to mention here that the valuation ruling as referred above have been determined without consideration of present market situation and without giving any opportunity of meeting of stakeholders and as such the same have been determined on the back of the importers and the same are liable to be reviewed forthwith in the great interest of justice and particularly keeping in view the legitimate revenue of national exchequer, hence this review application, inter-alia on the following grounds:

4. **GROUND**S

- a. That the valuation ruling as referred above does not cover the present fluctuation of prices of international market which have been reduce to about half of the prices and the product of the applicant completely based on international prices.
- b. That in support of his stance, it is appropriate of the application to add further that the provision of Section 25 of the Customs Act, 1969 are to be followed in sequential manner baring certain exceptional cases which massive group under invoices is rampant. It is not possible without exhausting and unfettered indicated in Section 25(13) (a) does not give unbridled and unfettered authority to Custom administration to play havoc with redundant. Discretions has to be exercised within limits based on reason, rationale and fair play which is specifically provided by the legislature in sub-Section (10) of Section 25 of the Customs Act, 1969 sub-Section (1), (5), (6), (7) & (8) at the importer request if so agreed by the Collector of Customs as held in judgments.
- c. That the shipping freight also decreases accordingly, which directly impact on the product price.
- d. That for the sake of arguments without conceding that the determination made in the ruling is legal, the applicant state that is nullity to the fact and expression and procedure given in the relevant provisions of the Customs Act, 1969 and this validated from the working of valuation for determination of applicant to import the different kind of remotes by deducting the different margins of respective heads which the applicant has to bear prior to selling the goods in rendering the contracted price as transactional value within the meaning of Section 25(1) of the Customs Act, 1969.



