



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 Disposable Razors and Razor Parts Under Section 25-A of the Customs Act, 1969.

(VALUATION RULING NO. ¹³⁶⁴ / 2019)

No. Misc./16/2017-VI ¹¹⁹⁶⁹

Dated: April, 29th, 2019

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Disposable Razors & Razor Parts are determined as follows: -

2. **Background of the valuation issue:** Earlier the customs values of Disposable Razors & Razor Parts were determined vide Valuation Ruling No. 1296/2018 dated 25-04-2018, against which the stakeholders filed revision petitions under section 25-D of the Customs Act, 1969. The Director General Customs Valuation vide Order-In-Revision No 39/2018 dated 11.10.2018 remanded back the case to the Director, Customs Valuation, Karachi to conduct comprehensive valuation exercise and to remove deficiencies in the impugned Valuation Ruling with respect to description of goods and H.S. code thereof and then to issue a fresh ruling under Section 25-A of the Customs Act, 1969. In compliance of the Director General Customs Valuation's Order dated 11.10.2018 and keeping in view the prevailing prices in local and the international markets, an exercise was initiated under Section 25A of the Customs Act 1969 to determine the customs values of Disposable Razors & Razor Parts.

3. **Stakeholders' participation in determination of Customs values:** Meeting with stakeholders were scheduled and held on 15-11-2018 and 04.03.2019. The participants were requested to submit following documents before or during the stakeholder's 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.

Although the importers have contested the values fixed vide Valuation Ruling No. 1296/2018 dated 25-04-2018 earlier but has not substantiated their submissions with corroborative documentary evidences requisited through notices. The departmental representatives stated that the prices of subject items are showing upward trend in the international markets, therefore they contended that the customs values may be rationalize by revising upward in accordance with prices in international markets. The view point of all participants was heard in detail and considered to arrive at Customs value for subject goods.

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 arrive at customs values of subject goods. The transaction value method as provided in Sub-Section (1) of Section 25

of the Customs Act, 1969 was found inapplicable due to wide variation of values displayed in the import data. The participants did not provide sufficient documents to arrive at correct transaction value of the subject goods. Therefore, identical / similar goods value method as provided in Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to the valuation issue in the instant case but due to wide variations in declarations, these methods could not be relied upon exclusively. In line with the statutory sequential order of Section 25, this office conducted market inquiries using Deductive Value Method under Sub-Section (7) of Section 25 of the Customs Act, 1969. Finally, the Customs values of Disposable Razors & Razor Parts are determined under Sub-Section (7) of Section 25 of the Customs Act, 1969.

5. **Customs values for Disposable Razor and Razor Parts:** Disposable Razor and Razor Parts *hereinafter* specified shall be assessed to duty /taxes at the following Customs Values: -

S. No	Description	H.S. Code	Proposed PCT for WeBOC	Origin	Custom Values (C&F) US\$/Pc
-1	-2	-3	-4	-5	-6
1	Disposable Razor Twin Blade Plastic Body	8212.1000	8212.1000.1100	Vietnam	0.0376
			8212.1000.1200	China	0.0338
			8212.1000.1300	Other	0.0406
2	Cartridge of Disposable Razor Plastic Body	8212.2000	8212.2000.1100	Vietnam	0.0226
			8212.2000.1200	China	0.0203
			8212.2000.1300	Other	0.0243
3	Stainless Steel Double Edge shaving Blade.	8212.2000	8212.2000.1100	Vietnam	0.0094
			8212.2000.1200	Egypt	0.0086
			8212.2000.1300	Other	0.0103
4	Parts. (Plastic Body Handles)	8212.9000	8212.9000.1100	Vietnam	3.76/Kg
			8212.9000.1200	China	3.38/Kg
			8212.9000.1300	Egypt	3.24/Kg
			8212.9000.1400	Other	4.06/Kg

Note: The above values are for low end Brands and do not cover the products of the following Brands. Gillette, Harry, Shick, Venus, Detroit, Parker, Lance advance, Gibson butterfly, Merkur fueter, Bic Corp, Leon, 7'O Clock etc.

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 in this Ruling.

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:** 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.

9.. 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 descriptions and specifications as mentioned in this



Valuation Ruling. HS 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 certifications 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.

10. *This ruling supersedes Valuation Ruling No. 1296/2018, dated 25-04-2018.*


(Shaifque Ahmed Latki)
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 (Appraisement), 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-FBR, Islamabad.
8. The Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. The Director General, Post Clearance Audit (PCA), Islamabad.
10. The Director General, Internal Audit (Customs), Karachi.
11. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Multan.
12. The Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC data base system and deleting Valuation Ruling No.1296/2018, dated 25-04-2018 from the system on the date of issue of this ruling.
14. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
16. The Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. The Revision Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. The Karachi Customs Agents Group, Bohri Road, Karachi.
19. The CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC Appraisement, 1st Floor, Custom House, Karachi.
21. The Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading on FBR Website.
22. Guard File.