



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 (Appraisement / Preventive)/ Peshawar/ Gawadar/ Gilgit-Baltistan/ Exports (Karachi/Port Qasim)/Directorate of Transit Trade, Karachi

Determination of Customs Values of PVC Electric Insulation Tape Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 1382 / 2019)

No. Misc/08/2008-II Dated: 15-07-2019. /2196

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of PVC Electric Insulation Tape are determined as follows:

2. **Background of the valuation issue:** Earlier the Customs values of PVC Electric Insulation Tape were determined through Valuation Ruling No.726/2015 dated 20-04-2015. This valuation ruling, being too old, needed to be revised as the customs values determined therein do not reflect the prevailing price in the international markets. Therefore, this Directorate General initiated an exercise for re-determination of the Customs Values of the subject goods in terms of Section 25-A of the Customs Act, 1969.

**Stakeholders' participation in determination of Customs values:** Meetings with stakeholders were held on 14-11-2018, 03-01-2019 and 14-03-2019 to discuss the issue of valuation of the subject goods. The stakeholders were also requested to furnish following documents before or during the course of above said meeting:

- 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 difference in price (excluding duty and taxes) to substantiate their contentions.

4. The Meetings were attended by different stakeholders including representatives of FPCCI/KCCI, relevant trade bodies, local manufacturers and importers. The local manufacturers contended that that the valuation ruling is more than four years old which should be revised upwards in accordance with the price trends in international markets. On the other side, importers contended that the prices of raw material have decreased in the international markets as compared to those in 2015 and, therefore, customs values of the subject goods be rationalized accordingly. The view points of stakeholders were heard in detail and considered to arrive at customs values of the subject goods.

5. **Method adopted to determine Customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly applied in their 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 variations in declarations. The stakeholders also did not provide substantial documents to establish the correct transaction value of the goods. 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 enquiries as envisaged under Section 25 (7) of the Customs Act, 1969, were conducted. Computed value method as provided in Section 25 (8) of the Customs Act, 1969, could not be applied as the goods are used as raw materials and conversion costs from constituent material at the country of export were not available. Online values of subject goods were also obtained. All information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the customs values of the PVC Electric Insulation Tape have been determined under section 25 (9) of the Customs Act, 1969.

6. **Customs values for PVC Electric Insulation Tape:** PVC Electric Insulation Tape *herein after specified* shall be assessed to duty/taxes at the following Customs Values:

| S. No. | Item Description  | PCT       | Proposed PCT for WeBOC | Origin                                 | Customs Values (C&F) USS/Kg |
|--------|---|-----------|------------------------|--|-----------------------------|
| (1)    | (2)   | (3)       | (4)                    | (5)                                    | (6)                         |
| 1.     | PVC Electric Insulation Tape- Width exceeding 20 cm – (Log Roll)          | 3919.9090 | 3919.9090.1010         | China/<br>Hong Kong/<br>Vietnam        | 1.55                        |
|        |   |           | 3919.9090.1020         | Korea/<br>Taiwan/<br>UAE               | 1.60                        |
|        |   |           | 3919.9090.1030         | Canada/<br>Europe/Japan<br>/USA        | 1.95                        |
| 2.     | PVC Electric Insulation Tape-Width not exceeding 20 cm – (Retail Packing) | 3919.1020 | 3919.1020.1010         | China/<br>Hong Kong/<br>Vietnam        | 1.70                        |
|        |   |           | 3919.1020.1020         | Korea/<br>Taiwan/<br>Malaysia/<br>UAE/ | 1.75                        |
|        |   |           | 3919.1020.1030         | Canada/<br>Europe/Japan<br>/USA        | 2.10                        |

*Note: The Customs values as specified in column (6) have been determined after duly accounting for the aspect of tare weights regarding spools/wrapping etc. At the assessment stage no further allowance is admissible on any account.*

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 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-Section (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 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.

11. *This ruling supersedes Valuation Ruling No.726/2015 dated 20-04-2015.*

  
(Shafique Ahmad Tatki)  
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 (Appraisal), 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. Chief Collector of Customs (Quetta).
8. Director General, Intelligence and Investigation-FBR, Islamabad.
9. Director General, Audit (Customs & Petroleum), 1<sup>st</sup> Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
10. Director General, Post Clearance Audit (PCA), Islamabad.
11. Director General, Internal Audit (Customs), Karachi.
12. The Director General, IOCO, Karachi.
13. Director, Directorate of Customs Valuation (Camp Office), Lahore.
14. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading InWeBOC database system and deleting *Valuation Ruling No. 726/2015 dated 20-04-2015.*
15. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
16. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
17. Law Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
18. Review Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
19. Karachi Customs Agents Group, Bohri Road, Karachi.