

GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

File No. DG (V)/Val.Rev/03/2019

Dated 08 August, 2019

**Order in Revision No. 09 /2019 under Section 25-D of the Customs Act, 1969  
against Valuation Ruling No. 1360/2019 dated 04-04-2019**

- 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 Hansika Enterprises & Others

..... PETITIONERS

VERSUS

Director, Customs Valuation, Karachi

..... RESPONDENT

Date(s) of hearing

25/06/2019, 02/07/2019 and 16/07/2019

For the Petitioners

Mr. Haroon Potiawala  
Mr Latif ur Rehman Kazmi  
Syed Aijaz Ahmed PSMA  
Mr. Zafar Mahmood PSMA  
Mr. Uzair Qadir Shoro Adv.  
Mr. Farman Ullah M/s Khyber Traders  
Mr. M. Anwar M/s Zaki Ind.  
Mr. S. Anwer Razvi M/s Colgate Palm.  
Mr. Mudassar Hussain M/s ZIL Ltd.

For the Respondent

Mr. Iqbal Hussain Principal Appraiser

This revision petition was filed under Section 25-D of the Customs Act, 1969 against customs value determined vide Valuation Ruling No.1360/2019 dated 04-04-2019 issued under Section 25-A of the Customs Act, 1969, inter alia, on the following grounds:

2. Being aggrieved by and dissatisfied with Valuation Ruling No.1360/2019, the petitioner prefers this Revision Petition under Section 25-D of the Customs Act, 1969, before this learned Authority on the following facts and grounds, namely;

3. **FACTS**

1. That the petitioner is engaged in the import and commercial trade of various kinds of Toilet Soap. As relevant for the present purposes, the petitioner regularly undertakes the import of Toilet Soap. The petitioner, through decades of hard work, dedication and commitment to professional excellence and quality, has earned an unimpeachable reputation, trust and confidence of satisfied customers all over the country.

2. That the Respondent Director has been entrusted by the legislature through the enactment of Section 25A of the Customs Act, 1969, to diligently, efficiently and properly exercise the powers contained therein for the lawful determination of Customs values of goods imported into Pakistan. The petitioner is seriously aggrieved by the acts of the Respondent Director, whereby it has unlawfully, arbitrarily, without making a determination, and on an ex-parte basis fixed the values of Toilet Soap of vide Valuation Ruling No. 1360/2019 (hereinafter 'the impugned Valuation Ruling'). The Respondent Director has acted in grave violation and excess of the powers conferred thereupon. Such actions are causing serious harm and irreparable loss to the petitioner.

3. That the petitioner is seriously aggrieved and prjudiced by the acts of the Respondent, whereby the Respondent Director, in spite of its obligations under the law, has unlawfully, arbitrarily, and in dire contradiction and violation of Section 25A of the Customs Act, 1969, and the Customs Rules, 2001, framed there under, purportedly 'determined' / fixed the values of Toilet Soap vide the impugned valuation ruling. The Respondent Director has acted in violation and excess of the powers conferred thereupon under the Customs Act, 1969, anwd the issuance of the impugned Ruling has resulted in serious harm and loss to the petitioner as well as other stakeholders in the local market of Toilet Soap. The actual price paid / payable for the impugned goods remains significantly lower than the value unlawfully fixed through the impugned Valuation Ruling, however, despite the patent illegalities therein, the Respondent Director has deemed the impugned Ruling fit for the purposes of Assessment of imported consignments of Toilet Soap. The petitioner submits a brief background to the issue as follows.

4. That in due course of its business, the Petitioner conducts imports of Toilet Soap which are available for purchase at significantly lower values than those fixed by the Respondent Director vide the impugned Valuation Ruling.

5. That, as such, the price paid / payable for Toilet Soap purchased for import into Pakistan by the petitioner at present remain considerable lower than the value assigned thereto vide the impugned valuation ruling, which ahs not been determined in terms of Section 25A and 25 of the Act, 1969. The price paid / payable for the said Toilet Soap at the time of import into Pakistan remains significantly lower than the value so assigned through the impugned valuation ruling.

6. That, whereas, under the scheme of the Customs Act, 1969 (hereinafter 'the Act, 1969), the Assessment / Valuation of imported goods is carried out either under Section 25 of the Act, 1969, or under Section 25A r/w Section 25 of the Act, 1969. Assessment / Valuation is carried out under Section 25A of the Act, 1969, whereby Customs / Assessable values of imported goods are determined in advance by the Respondent Director or the Collector of Customs, as the case may be, through the issuance of a valuation ruling issued after strict adherence to the methods of valuation laid down in Section 25 of the Act, 1969. Due to the scheme of the Act, 1969, values properly determined under Section 25A of the Act, 1969, with adherence to Section 25 thereof shall be at or about the actual price paid / payable for the goods at the time of import into Pakistan.

7. That it is pertinent to note that although such assessment was in vogue, assessed goods declarations reflect that the actual price paid / payable for the said Toilet Soap was being declared diligently and strictly in accordance with the law by the various importers engaged in such import.

