

GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACH

File No. DG(V)Val-Rev/12/2019

14067

21<sup>st</sup> July, 2020

Order in Revision No. 19 /2020 Under Section 25-D of the Customs Act, 1969, against Valuation Ruling No. 1375/2019 Dated: 24-05-2019.

- 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. Sports One Int. Trading Co. & Others

..... PETITIONER

VERSUS

Director, Customs Valuation, Karachi

..... RESPONDENT

Date(s) of hearing

02.07.2020 at Karachi & 13-07-2020 at Lahore,

For the Petitioners

Mr. Sakhi Muhammad, M/s. Sports One Int. Trading Co.,  
Mr. Umar Ahmad Khan, M/s. Apha Labs Pk,  
Mr. Faisal Yousaf, M/s. Al-Rija Traders,

For the Respondent

Mr. Tauseef Ahmad, Valuation Officer,

This revision petition was filed under Section 25-D of the Customs Act, 1969, against customs value determined vide Valuation Ruling No. 1375/2019, dated 24.05.2019, issued under Section 25-A of the Customs Act, 1969, inter alia, on the following grounds:

2. Being aggrieved by and dissatisfied with the Valuation Ruling No. 1375/2019, dated 24.05.2019, respectively by the respondent (hereinafter referred to as the impugned Ruling), the applicant begs to prefer this petition inter-alia on the following facts and grounds:-

3. FACTS

- 1) Precisely stated facts necessary for Revision of determined values under the impugned Valuation Ruling No. 1375/2019 dated 25.05.2019 are that M/s Sports One International Trading Company ( hereinafter referred to as "the importer/petitioner") is authorized dealer of different categories of Whey Protein mentioned at S. No. 1-7 of the fore-stated Valuation Ruling since last many years.



- 2) In this context & contest, it is pertinent to point out that the subject items imported by the Petitioner from USA were regularly been assessed at US\$ 1.4-1.70/ kg in terms of Section 25(5) & (6) of the Customs Act, 1969, vide GD No. KAPE-HC-133507 dated 02.04.2018, KAPE-HC-219964 dated 20.06.2018, KAPE-HC-2440 dated 05.07.2018 KAPE-HC-10294 dated 17.07.2018. Whereas, the Deputy Director (HQ), Directorate General Customs Valuation, Karachi issued letter C. No. Misc./15/2018-1/664 dated 22.06.2018 bearing subject: "Development of Valuation Database: Reference Values for Food Supplements".
- 3) That whereas, the values mentioned for assessment under the aforecited letter were ranging from US\$ 9.50 to 14.50/kg were enhanced to 600% to 900% illogically without exhausting the express provisions in sequential order envisaged under Section 25(1-6) *ibid*; however, being aggrieved of the frivolous, exaggerated and uncorroborated values determined were duly challenged vide Application dated 13.09.2018 on the basis of current values mentioned under *para supra*, being assessed under Section 25(5) of the Customs Act, 1969. Copy of representation dated 13.09.2018, is enclosed for ready reference please.
4. In addition to above, the Petitioner once again contested the Data Base Values and requested the then DG Valuation for issuance of Valuation Ruling under section 25-A vide request letter Ref; CY/SO/101 15.10.2018, and subsequent reminder dated 19.02.2019 (Annex-D & E). The Data Base Values were contested on the factual / legal submissions as under;
  - (i) Values determined are non-evidence based. (Evidential GDs not referred / mentioned).
  - (ii) Values are single origin based i.e. USA only.
  - (iii) Values based on single item i.e. Whey Protein.
  - (iv) Values mismatch / irrelevant to Data Base (US\$ 9.50-14.50/kg).
5. That, despite the fact that the stake holders including the Petitioner properly represented their case, the Respondent / Director Customs Valuation has issued the impugned Valuation Ruling No. 1375/2019, dated 24.05.2019; whereby the Values of the Petitioner's items have been based upon almost the same previous Data Base Values C. No. Misc./15/2018-1/664 dated 22.06.2018 with slight variation in terms of Section 25(7)- Deductive Value Method without exhausting provisions envisaged under sub-section (1-6) in letter & spirit rather than slipped / skipped in stereo type manner are eventually not sustainable under the Customs laws, Valuation Rules and regulations *inter alia* on the following;

4. **GROUND:**

- A. That, the Director of Customs Valuation has issued Impugned VR for "Whey Protein" determined in terms of sub-section (7) of the Section 25 *ibid* and issued under Section 25-A of the Customs Act, 1969. That, the impugned VR has not been issued in consonance with the measures postulated under express provisions envisaged under Section 25(1)-(9) of the Customs Act, 1969. Moreover, the procedures & methods mentioned in the impugned VR are stereotype and neither exhausted practically nor followed in letter and spirit of the forestated provisions of law. Furthermore, the so called documentary exercise shown in the impugned VR does not reflect the ground realities, facts and circumstances of the import prices of the impugned items.

