

GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACH

File No. DG(V)Val-Rev/06/2020/3026.
14

21st

April, 2020

**Order in Revision No. /2020 Under Section 25-D of the Customs Act, 1969, against
Valuation Ruling No. 1443/2020 Dated: 05-03-2020**

- 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. Khan Business & Others

..... PETITIONER

VERSUS

Director, Customs Valuation, Karachi

..... RESPONDENT

Date(s) of hearing

13-04-2020

For the Petitioners

Mr. Kamran, Mr. Danish, Mr. Mujtaba, Mr. Farhan
Saeed, Mr. Waseem,

For the Respondent

Mr. Tauseef Ahmad, Valuation Officer,
Mr. Nadeem Sheikh, Valuation Officer,

This revision petition was filed under Section 25-D of the Customs Act, 1969, against customs value determined vide Valuation Ruling No. 1443/2020, dated 05.03.2020, 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. 1443/2020 dated 05.03.2020, 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:-

FACTS

- 1) The Director Customs Valuation issued Valuation Ruling No. 1443/2020, dated 05.03.2020, for assessment of customs value of above commodity.
- 2) That in past, above goods assessed and released by way of substitution of old valuation ruling No. 913/2016, dated: 23.08.2016, with new valuation ruling no. 1413/2019, dated 01.11.2019.

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- 3) That we challenged the above valuation ruling in reasons thereof and DG Valuation reached to the conclusion that "Valuation Ruling No. 1413/2019, dated 01.11.2019, is found to be issued in an arbitrary manner and not in accordance with the provision of Section 25-A read with Customs Rules, 2001, therefore, in exercise of powers conferred upon me under Section 25-D of the Customs Act, 1969, I hereby order the impugned Valuation Ruling No. 1413/2019, dated: 01.11.2019, to be set-aside".
- 4) That after setting-aside the valuation ruling No. 1413/2019, dated 01.11.2019, the goods were assessed and released @US\$ 1.65/kg according to old valuation ruling No. 913/2016 dated 23.08.2016, as per order of the Chief Collector.
- 5) During the course of hearing, the Director Valuation also admitted that it was also found that most of the imports of used photocopiers originate from the US and the rest from EU. Due to stringent financial controls in the US, it is difficult and risky for importers to carry out mis-invoicing, which is also not feasible due to low value of goods.
- 6) That ultimately, the Valuation department issued new valuation ruling no. 1443/2020, dated 05.03.2020, and proposed assessment based upon CPM which also indicates charges of under-invoicing on importers whereas at the other hand, it states that no commercial importer attended the meeting.

4. GROUNDS

That above proposed customs value for assessment is seriously harming the interest of the applicant. The above fresh valuation ruling required to be revised further in the light of facts furnished below:

1. That as far as charges leveled against importers on part of under-invoicing, we do not agree because the Director Valuation has already admitted that under-invoicing is not feasible. Thus the under-invoicing charges may be withdrawn.
2. That we do not agree with the assessment proposed according to UOM stands in CPM, the same is also not admissible because old & used photocopiers could not perform as new.
3. As per the CGO 15/2019, dated 17.09.2019, there is clearly mentioned for assessment criteria to assess the items on Kg basis if the consignment imported on weight basis and/or if the consignment imported on unit/piece basis, then it should be to assessed on unit basis, whereas, our problem is only CPM, it is not on kg/unit issue.
4. That new valuation ruling indicates that Mr. Nadeem Khalid, Director of M/s. Office Automation Group (OAG) Karachi, attended the meeting and further indicated that no body from commercial importers attended the meeting. This is absolutely incorrect because we have submitted all relevant documents to Valuation Department prior to meeting. We and 17 other importers had submitted our request letters on 31.01.2020 (enclosed) for extension of the meeting date. We think the Valuation Department totally mentioned lie without actual position. As far as meeting attended by Mr. Nadeem Khalid, Director of M/s. Office Automation Group (OAG) Karachi, it is hereby clarified that he is the importer of brand new photocopier machines. Thus he could not represent importers of old & used photocopier machines. It is therefore, requested to please held fresh meeting / hearing with commercial importers.



