

The Collector of Customs, Collectorate of Customs (Appraisement -West / Appraisement - East / Appraisement - Port Muhammad Bin Qasim / Enforcement / JIAP), Karachi /Hyderabad / (Appraisement / Enforcement),Quetta / Gawadar / (Appraisement / Enforcement / AIIA), Lahore / Appraisement, Faisalabad / Appraisement, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisement / Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim / Custom House Karachi) / Transit Trade, Karachi.

DETERMINATION OF CUSTOMS VALUES OF PVC ELECTRIC INSULATION TAPE
UNDER SECTION 25A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO 1589/2022)

C. No.Misc/08/2008-II/030.

Dated: 14 -01-2022

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the 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 Tapes were determined vide Valuation Ruling No. 1382/2019 dated 15-07-2019. As the Valuation Ruling was more than 2 years old, this Directorate General initiated an exercise for determination of Customs Values of subject goods under Section 25A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Meeting with all stakeholders, trade bodies including representatives of clearance Collectorates was held in this Directorate General on 24-11-2021. The importers/stakeholders were requested to submit their proposals/suggestions as well as following documents before or during the course of stakeholders' meeting so that Customs value could be determined:

- i. Invoices of import during last three months showing factual values.
- ii. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- iv. Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.

4. The meeting was attended by importers and stakeholders and their views were heard in detail to arrive at customs values of subject goods. The local manufacturer contended that the valuation ruling is more than two years old which should be revised upward in accordance with price trend and freight in international market. On the other side, importers contended that the prices of raw material have decreased in the international market and, therefore, customs values of subject goods be rationalized accordingly. The view points of stakeholders were heard in details and considered to arrive at customs values of the subject goods.

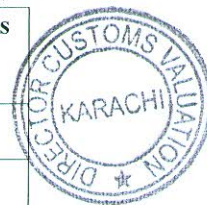
5. **Methods Adopted to Determine Customs Values:** Valuation methods provided in Section 25 of the Customs Act, 1969, were duly applied in their regular sequential order to

arrive at customs value of subject goods. The transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969, was found inapplicable because no substantial documents were provided by the stakeholders to prove that their declared values were true transactional values. Moreover, different values were declared by different importers for same product according to different origins. Identical/similar goods value methods provided in Sections 25 (5) & (6) *ibid* were examined for applicability to determine customs values of subject goods. The data provided some references; however, it was found that the same could not be solely relied upon due to absence of absolute demonstrable evidence of qualities and quantities of commercial level etc. Information available was, hence, found inappropriate. In line with statutory sequential order of section 25, this office conducted market inquiries using deductive value methods under sub-section (7) of Section 25 of the Customs Act, 1969, wide ranges of prices were observed for some items depends upon variety/quality/quantity/ brand etc., and location of market. Hence this method of valuation could not be relied upon due to aforesaid reasons. Valuation method vide Section 25(8) of the Customs Act, 1969, was examined for valuation, but the same also could not be applied due to non availability of conversion and processing cost of exporting country. Finally, clearance data, raw material prices, international prices through internet/ subscriptions were examined thoroughly and the information so gathered were utilized and analyzed for determination of Customs Values of PVC Electric Insulation Tape under Section 25(9) of the Customs Act, 1969.

6. **Customs values for PVC Electric Insulation Tape -hereinafter specified** shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below:

Sr. No.	Description of Goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	PVC Electric Insulation Tape-width exceeding 20cm - (Log Roll)	3919.9090	3919.9090.1010	China/ Hong Kong/ Vietnam	1.75
			3919.9090.1020	Korea/ Taiwan/ UAE	1.80
			3919.9090.1030	Canada/ Europe/ Japan/ USA	2.15
2	PVC Electric Insulation Tape-width not exceeding 20cm - (Retail Packing)	3919.1020	3919.1020.1010	China/ Hong Kong/ Vietnam	1.93
			3919.1020.1020	Korea/ Taiwan/ Malaysia/ UAE	1.98
			3919.1020.1030	Canada/ Europe/ Japan/ USA	2.23

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 or higher evidential data is available of stipulated period 90 days, the assessing officers shall apply those values in terms of sub-Section (1) of Section 25 of the Customs Act, 1969, and the same may be communicated to this Directorate General forthwith. In case of consignment imported by air, the assessing officer shall take into account the

