GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS (VALUATION)
7TH FLOOR, CUSTOM HOUSE, KARACHI
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The Collectors of Customs, Collectorates 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 HOOK AND LOOP UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.

(VALUATION RULING NO. 1711 / 2022)

No.V.Khi/10/HL/25A/IV/ 11314 Dated: 15 -12- 2022

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs value of Hook & Loop is determined as follows:

2. **Background of the valuation issue:** Earlier, the Customs value of Hook and Loop was determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.1616/2022 dated 25.03.2022, which was set-aside by Director General of Customs Valuation vide Order-in-Revision No. 64/2022 dated 29.06.2022 with the direction to undertake fresh exercise in terms of Section 25A of the Customs Act, 1969 by recourse to the valuation methodology elaborated in Section 25 of the Act ibid so that the custom values of Hook and Loop are determined in line with prevailing international prices of goods while giving due consideration to and prevailing prices of input raw materials as elaborated in para-3 of the impugned VR. Accordingly, an exercise was initiated by this Directorate to re-determine Customs values of Hook and Loop under Section 25A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Meetings were convened on 19.10.2022, 01.11.2022 and 15.11.2022 which were attended by all the relevant stakeholders. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meetings.

4. **Analysis / Exercise done to determine Customs Values**: Representative of M/s. Noon Brothers contended that values / proposal provided by them should be accepted. According to him, the prices in the international market had decreased tremendously because of reduction in prices of raw material of subject goods and decline in freight worldwide. Ninety (90) days clearance data has been retrieved and same has been scrutinized. Subsequently, Market inquiry has been conducted in light of this Directorate's Order no. 17/2014 dated 19.03.2014 and in terms of Section 25(7) read with Section (9) of the Customs Act, 1969.

5. **Method (s) adopted to determine Customs values:** Valuation methods specified in Section 25 of the Customs Act, 1969, were duly applied in their sequential order to arrive at the

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 due to wide variation of values in import data. Moreover, the requisite information under law was not available to arrive at correct/ transaction value. Therefore, identical/similar goods value methods provided in Section 25(5) & (6) ibid were examined for applicability to determine Customs value of subject goods. The data provided some reference; however, it was found that the same could not be solely relied upon due to absence of absolute demonstrable evidences of quantities and qualities, variation in declaration, variety and specifications. Information available was, hence, found incomplete. In line with statutory sequential order of Section 25 of the Customs Act, 1969, this Directorate conducted market survey under sub-section (7) of Section 25 of the Customs Act, 1969. Various Retail markets were visited to observe the actual prices of Hook and Loop. On the basis of available data/information collected and exercise conducted, the value of Hook and Loop has been determined under sub-section (7), read with Section 25 (9), of Section 25 of the Customs Act, 1969.

6. **Customs values of Hook and Loop -** The Hook and Loop, hereinafter specified shall be assessed to duty / taxes at the Customs value as per the following Table.

S.No	Description	Origin	PCT Code	Proposed PCT for WeBOC	Customs Values C& F (US$/KG)
(1)	(2)	(3)	(4)	(5)	(6)
1	Hook and Loop	All Origins	5806.3200	5806.3200.1000	4.50

7. In cases, where declared 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 officers shall take into account the difference between air freight and sea freight while applying the Customs values in this Ruling.

8. **Validity of this Valuation Ruling:** This Ruling, containing the Customs values for assessment of subject imported goods, shall be applicable until and unless the same are rescinded or revised by the competent authority in terms of sub-section (4) of Section 25A of the Customs Act, 1969.

9. **Revision of the values determined vide this Valuation Ruling:** If aggrieved, a revision petition may be filed against this ruling as provided under Section 25D of the Customs Act, 1969, within 30 days from the date of its issuance, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

10. The Collectors of Customs may kindly ensure that the values given in the Valuation Ruling, for the given description of goods, are applied by the concerning assessing officers / officials without fail. Any anomaly observed may kindly be brought to the notice of this Directorate immediately. The Customs values determined in the ruling are for the descriptions

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and specifications as mentioned in Para-6 of this Ruling. HS Codes are mentioned for illustrative purposes so that Valuation Ruling is made accessible to the assessing officers. The assessments shall be finalized on the basis of correct classifications after fulfilling all formalities related to importability or other certifications required thereon.

11. ***This Ruling superseded Valuation Ruling No. 1616/2022 dated 35-03-2022.***

(Fayaz Rasool Maken)
Director

Copy for information to:

1. The Member Customs (Operations), Federal Board of Revenue, Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, Appraisement (South), Custom House, Karachi.
4. The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
5. The Chief Collector of Customs, Appraisement (Central), Custom House, Lahore.
6. The Chief Collector of Customs, Enforcement (Central), Custom House, Lahore
7. The Chief Collector of Customs (North), Custom House, Islamabad.
8. The Chief Collector of Customs, Baluchistan, Custom House, Quetta.
9. The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
10. The Director General, Intelligence and Investigation (Customs) FBR, Islamabad.
11. The Director General, PCA & Internal Audit, Karachi.
12. The Director General, IOCO, Karachi.
13. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
14. The Director, Transit Trade, Custom House, Karachi.
15. The Director, Directorate of Customs Valuation, Lahore/Quetta/Peshawar.
16. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
17. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
18. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
19. The Karachi Customs Agents Association, Bohri Road, Karachi.
20. The Webmaster, Federal Board of Revenue, Islamabad.
21. Guard File.

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