**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 SILICON SEALANTS UNDER SECTION 25A OF THE CUSTOMS ACT, 1969

## (VALUATION RULING NO . 1737 /2023)

C.No.Misc/02/2008-II/ 113 Dated: 31 -01-2023

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs values of Silicon Sealants are determined as follows:

**Background of the valuation issue:** Earlier, the Customs values of Silicon Sealants were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.1354/2019 dated 31-01-2019. However, different stakeholders requested to re-determine Customs values afresh in line with values prevalent in the international market. Therefore, an exercise has been undertaken by this Directorate to determine the same.

2. **Stakeholders' participation in determination of Customs values:** Meetings were held on 16-08-2022 and 15-09-2022 which were attended by the relevant stakeholders. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meeting. They submitted their proposals for consideration and the same were considered pertaining to the valuation of subject goods.

3. **Analysis / Exercise done to determine Customs Values:** Ninety (90) days' clearance data has been retrieved and the same has been scrutinized. Subsequently, market inquiry has been conducted and examined in the light of this Directorate's Office Order No.17/2014 dated 19-03-2014 and in terms of Section 25 (7) read with Section 25(9) of the Customs Act, 1969.

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

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qualities and variation in declaration. Information available was, hence, found incomplete. As a result, this Directorate conducted market survey under sub-section (7) of Section 25 of the Customs Act, 1969 wherein various Wholesale and Retail Markets were visited to observe the actual prices of Silicon Sealants of different origins. Moreover, valuation method under Section 25(8) of the Customs Act, 1969 was examined but, due to non-availability of conversion cost of the Exporting country, the aforementioned method could not be applied either. Finally, on the basis of available data / information collected and exercise conducted, the values of Silicon Sealants have been determined under sub-section (7), read with Section 25(9), of Section 25 of the Customs Act, 1969.

5. **Customs values of Silicon Sealants -** Silicon Sealants, hereinafter specified, shall be assessed to duty / taxes at the Customs values as per the following table:

| S# | Description of Goods | PCT | Proposed PCT for WeBOC | Origin | Customs Values (C&F) US$ /Kg |
|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1 | Silicon Sealant Retail Packing: in Cartridges/ Tubes up to 350ml | 3214.9010 | 3214.9010.1000 | China / Malaysia/ Thailand/ S. Korea | 4.26 |
| 2 | | | 3214.9010.1100 | Other | 5.70 |
| 3 | Silicon Sealant Retail Packing: in Cartridges; up to 700ml | | 3214.9010.1200 | China / Malaysia/ Thailand/ S. Korea | 3.60 |
| 4 | | | 3214.9010.1300 | Other | 4.80 |
| 5 | Silicon Sealant (In drum packing) | | 3214.9010.1400 | China / Malaysia/ Thailand/ S. Korea | 2.76 |
| 6 | | | 3214.9010.1500 | Other | 3.90 |

6. 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.

7. **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.

8. **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.

9. The Collectors of Customs may kindly ensure that the values given in this Valuation Ruling are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of this Directorate immediately. Customs values determined in the

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Ruling are for the description and specification as mentioned in the table above of this Ruling. PCT Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certifications required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.

10. ***This Valuation Ruling supersedes the Valuation Ruling No.1354/2019 dated 31-01-2019.***

**(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 Director, 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 (KCAA), Bohri Road, Karachi.
20) The Webmaster, Federal Board of Revenue, Islamabad.
21) Guard File.

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