



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
7TH FLOOR, CUSTOM HOUSE
KARACHI



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

DETERMINATION OF CUSTOMS VALUES OF GALVANIZED AND NON-GALVANIZED NUTS, BOLTS, WASHERS, DRY WALL SCREWS, SELF TAPPING SCREWS AND SELF DRILLING SCREWS UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.

(PUBLICATION VALUATION RULING NO. 47/2024)

No. Misc/28/2010-VI/ 591

Dated: 07-06-2024

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs values of Galvanized and Non-Galvanized Nuts, Bolts, Washers, Dry Wall Screws, Self-Tapping Screws and Self Drilling Screws are determined as follows:

2. **Background of the valuation issue:** Earlier the customs values of High Tensile Nuts, Bolts & Washers were determined vide Valuation Ruling No. 1548/2021 dated 31-08-2021. Representations were received from traders/stakeholders that there is fluctuation in the prices of this commodity and; therefore, Valuation Ruling needs revision. This Directorate, initiated a fresh exercise for determination of custom values of the subject goods in terms of Section 25A of the Customs Act, 1969.

3. **Stakeholders' participation in the determination of values:** Meetings were convened on 11.03.2024 & 16.04.2024, which were attended by the relevant stakeholders. During the meeting, the importers claimed that due to various challenging factors, the gap in supply has been exploited through unlawful means of smuggling goods across the Afghan/Iran border. Therefore, they requested that the Directorate should reconsider the valuation ruling in light of the prevailing dynamics. They further proposed that the valuation ruling must be aligned with the LME prices of Wire Rod. On behalf of local manufacturer, i.e. M/s. Adamjee Engineering (Pvt) Ltd, informed that, during the manufacturing of Screws, the raw materials i.e. Wire Rod, are modified to deliver the finished goods. There are more than seven stages in the manufacturing process from beginning to end. Some processes are intermediate and make components that undergo another manufacturing process to build the finished product. These processes are wire rod inspection, pickling/liming, wire drawing, annealing, cleaning, thread rolling and packing which require value addition upto 100% from converting wire rod to the subject screws. The customs values of screws should be determined on the basis of LME prices because some importers mis-declared the actual price. The relevant documents have also been submitted for perusal by the stakeholders.



4. **Method adopted to determine Customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly applied in sequential order in order to arrive at custom value of subject goods. Transaction value method provided in Section 25 (1) of the Act *ibid* was found inapplicable because required import documents were not 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 from different origins. Therefore, Identical and Similar goods valuation methods as provided in sub-section (5) & (6) of Section 25 *ibid* were examined for applicability to determine custom values of the subject goods. The same provided some reference values but could not be exclusively and solely relied upon due to variations in data. In line with the statutory sequential order of Section 25, this office conducted market inquiries under Sub-Section (7) of Section 25 of the Customs Act, 1969, but could yield no results as prices varied significantly according to selling points in the market. Therefore, valuation method, *vide* section 25(8) was examined for valuation but the same could not be applied due to non-availability of conversion and processing cost of exporting country. Finally, clearance data of similar/identical goods, market information from surveys, online information as well as values from internationally acclaimed publications, periodicals, bulletins etc. as provided under section 25A *ibid* so gathered have been utilized and analyzed for determination of custom values of the subject goods under section 25(9) of the Customs Act, 1969, read with 25(8) *ibid*, and the proviso to sub-section (1) of Section 25A of the Customs Act, 1969.

5. **Customs values for Galvanized and Non-Galvanized Nuts, Bolts, Washers, Dry Wall Screws, Self Tapping Screws and Self Drilling Screws *hereinafter specified*** shall be assessed to duty/taxes at the following minimum Customs values: -

S. No.	Description of Goods	PCT	Proposed PCT for WeBOC	Customs Values (C&F) in US\$ /Kg		
				China	Taiwan	Others
1	Galvanized Nut, Bolts & Washers	7318.1510	7318.1510.1000	1.30	1.43	1.57
		7318.1610	7318.1610.1000			
2	Non-Galvanized Nut, Bolts & Washers	7318.1510	7318.1510.1100	1.15	1.27	1.40
		7318.1610	7318.1610.1100			
3	Dry wall Screws	7318.1590	7318.1590.1000	1.40	1.54	1.69
4	Self-Tapping Screws	7318.1590	7318.1590.1100	2.10	2.31	2.54
5	Self-Drilling Screws	7318.1590	7318.1590.1200	1.70	1.87	2.06
Note: If the above tabulated items are made of High Tensile material, ten percent (10%) addition shall be done in the above tabulated Customs values.						



6. In cases where declared/ transaction 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 officer shall take into account the differential between air freight and sea freight while applying the Customs values determined in this Ruling.

7. **Validity of this Valuation Ruling:** The values determined *vide* this Ruling shall be the applicable Customs value for assessment of subject imported goods until and unless it is 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 value determined with this Valuation Ruling:** A revision petition may be filed against this Ruling, as provided under Section 25-D of the Customs Act, 1969, within 30 days from the date of issuance of this ruling, 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 for the given description of goods are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of this Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned in the tables above of this Ruling. HS 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 certification 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 ruling supersedes Valuation Ruling No.1548/2021 dated 31-08-2021.*



(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, Appraisalment (South), Custom House, Karachi.
4. The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
5. The Chief Collector of Customs, Appraisalment (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 / Hyderabad / Multan.
14. The Director General, 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.