



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



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

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

(VALUATION RULING NO. 1911/ 2024)

No. Misc/28/2010-VI/1142

Dated: 01-11- 2024

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

- Background of the valuation issue:** The customs values of subject items vide Publication Ruling No. 47/20024 dated 07.06.2024 were challenged before the Director General of Customs Valuation under Section 25D of the Customs Act, 1969 by the Stakeholders. The Director General vide Order-in-Revision No. 48/2024 dated 15.08.2024 directed the Directorate to undertake a fresh exercise in terms of Section 25A of the Customs Act, 1969 and re-fix the values after affording opportunity of hearing to the stakeholders.
- Stakeholders' participation in determination of Customs values:** Meetings were convened on 03.09.2024. The representatives of M/s. Misha Traders, M/s. Industrial Trading, M/s. Anwar Trading, M/s. Haroon sons, M/s. Universal Engineering, M/s. Adamjee Engineering and M/s. Fix Bolt were appeared. During the meeting, the stakeholders 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.

4. **Method adopted to determine Customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly applied in sequential order to arrive at customs value of subject goods. Transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969 was found inapplicable because no substantial import documents were provided by the stakeholders to prove that their declared values were true transactional values. Moreover, different values were determined by different importers for same product according to different origins. Therefore, identical and similar goods valuation methods as provided in sub-sections (5) & (6) of Section 25 ibid were examined for applicability to determine customs values of the subject goods. The same provided some reference values but could not be exclusively and solely relied upon due to variation in data. In line with the statutory sequential order of Section 25 of the Customs Act, 1969, 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 point 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 were utilized and analyzed for determination of custom values of the subject goods under section 25(9) read with Section 25(6) and 25(7) of the Customs Act, 1969 further read with Customs Rule 121(2) of the Customs Rules, 2001, which are as under:-

5. **Customs values for Galvanized & Non-Galvanized High Tensile Nuts, Bolts, Washers and Dry Wall, Self Tapping and Self Drilling Screws hereinafter specified** shall be assessed to duty / taxes at the minimum Customs values mentioned against them in the Table below:

S. No.	Description of Goods	PCT	Proposed PCT for WeBOC	Customs Value (C&F) USS/Kg		
				China	Taiwan	Others
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Galvanized High Tensile Nuts, Bolts & Washers ZX/LJ (Upto 10mm thickness)	7318.1510	7318.1510.1000	1.45	1.60	1.75
		7318.1610	7318.1610.1000			
2	Galvanized High Tensile Nuts, Bolts & Washers ZX/LJ (Above 10mm thickness)	7318.1510	7318.1510.1100	1.40	1.54	1.70
		7318.1610	7318.1610.1100			



3	Galvanized High Tensile Nuts, Bolts & Washers ZX/LJ (Above 20mm thickness)	7318.1510	7318.1510.1200	1.30	1.43	1.57
		7318.1610	7318.1610.1200			
4	Non-Galvanized High Tensile Nuts, Bolts & Washers ZX/LJ (Upto 10mm thickness)	7318.1510	7318.1510.1300	1.25	1.37	1.51
		7318.1610	7318.1610.1300			
5	Non-Galvanized High Tensile Nuts, Bolts & Washers ZX/LJ (Above 10mm thickness)	7318.1510	7318.1510.1400	1.17	1.29	1.41
		7318.1610	7318.1610.1400			
6	Non-Galvanized High Tensile Nuts, Bolts & Washers ZX/LJ (Above 20mm thickness)	7318.1510	7318.1510.1500	1.10	1.21	1.33
		7318.1610	7318.1610.1500			
7	Dry Wall Screw	7318.1590	7318.1590.1000	1.30	1.43	1.57
8	Self Drilling Screw	7318.1590	7318.1590.1100	1.60	1.76	1.94
9	Self Tapping Screw	7318.1400	7318.1400.1000	2.00	2.20	2.42

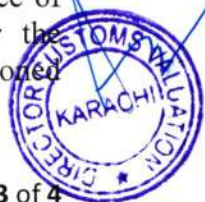
Note: If the items' description mentioned at S. Nos. 1 to 6 are made of other than High Tensile material, than ten percent (10%) reduction shall be allowed in the above tabulated Customs values and those will be classifiable under appropriate PCT Heading.

6. The values determined in this Valuation Ruling shall be treated as minimum benchmark values. 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 proviso 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 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 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.

10. *This ruling supersedes Publication Valuation Ruling No. 47/2024 dated 07.06.2024.*


(Dr. Tahir Qureshi)
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.
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.