

C. No. Misc/01/2024-II/1942

Dated: 16-12-2024

**VALUATION RULING NO. 1932 / 2024**

1. This Ruling shall be applicable until the same is rescinded or revised in terms of sub-section (4) of Section 25A of the Customs Act, 1969.
2. The revision petition against this Valuation Ruling can be filed under Section 25D of the Customs Act, 1969, within 30 days before the Director General, Customs Valuation.
3. The values in valuation ruling shall be treated as minimum benchmark values and shall be applicable to the given description and specification of goods.

**Subject: DETERMINATION OF CUSTOMS VALUE OF ACRYLIC ACID - SUPER ABSORBENT POLYMER (SAP) UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.**

1.	Date of meeting with stakeholders	The meeting with relevant stakeholders were conducted on 12.12.2024.
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**Background of the Issue:** In pursuance of Board's letter C. No. 1(3)S(PRR)/2024(Val-I) dated 14.11.2024 regarding Sample Data on Under-Invoicing in the imports of Acrylic Acid - Super Absorbent Polymer (SAP). Therefore, this Directorate initiated an exercise for the determination of customs values of subject goods under 25A of the Customs Act, 1969.

**2. Analysis/Exercise done to determine Customs Values:** Meeting was convened on 12.12.2024 that was attended by the relevant stakeholders. The importers informed that they belong to the Sanitary Napkins & Diaper Industry and that the subject item is a raw material for the manufacturing of Sanitary Napkins & Diapers. The major import of which is for the Diaper manufacturing that constitute of almost 98% of the total import. However, very less quantity is being imported for the manufacturing of Sanitary Napkins because it is used in a very minor quantity during its manufacturing process. Moreover, they informed that the subject goods are Acrylic based material and that its price depends upon the price of Acrylic which itself is a petroleum byproduct. The factors which affect its price are in accordance with the price of its raw materials and freight element. Furthermore, they contended that some of the importers who have imported the impugned goods below the value of US\$ 0.99/Kg which is established as under invoiced value. Whereas, they further contended that their declared values are true which are on higher side when the price trend goes up. In this regard, they submitted Export GDs of their consignments. Therefore, ninety (90) days' import data have been retrieved and the same is thoroughly scrutinized for the determination of customs values of subject goods under Section 25A of the Customs Act, 1969.

**3. Method(s) adopted to determine Customs values:** Valuation methods specified in section 25 of the Customs Act, 1969, were duly considered 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 absence of information as required under sub-section (2) of section 25 of Customs Act, 1969. The identical goods value method as provided in section 25(5) was examined, some applicable values were found



but that the same could not be solely relied upon due to absence of absolute demonstrable evidence of quantities and qualities. Subsequently, similar goods value method provided in section 25(6) was also examined in light of the clearance data of subject goods and was finally relied upon for the determination of Customs values of subject goods under Section 25A of the Customs Act, 1969.

4. **Customs Values for Acrylic Acid - Super Absorbent Polymer (SAP) - hereinafter specified** shall be assessed to duty / taxes at following Customs Values:

Sr. No.	Item Description	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) (US\$/Kg)
1	Acrylic Acid - Super Absorbent Polymer (SAP)	3906.9090	3906.9090.1000	China	1.20
			3906.9090.1100	Taiwan	1.30
			3906.9090.1200	Singapore	1.45
			3906.9090.1300	Other Origins	1.35

5. The values determined in this Valuation Ruling shall be treated as minimum benchmark values. In cases, where declared values or values in invoice retrieved from the consignment, as the case may be, are higher than the customs values determined in this valuation ruling, the assessment shall be made on higher values in terms of sub-section (1) of Section 25 of the Customs Act, 1969.

6. In case of consignments imported by air, the difference between air freight and sea freight shall be added for the assessment of value.

7. The Valuation Ruling shall be applicable for the descriptions and specifications of goods as mentioned in the aforementioned table. HS Codes are mentioned for illustrative purposes.

8. The Collectorates of Customs shall ensure the implementation of Valuation Ruling and in case of any anomaly may be brought to the notice of this Directorate immediately.

  
(Dr. Tahir Qureshi)  
Director

**Copy for necessary action and implementation:**

The Collectors / Directors of Customs, Collectorates / Directorates of Customs (Appraisalment-West / East / SAPT / PMBQ / JIAP / Enforcement/), Karachi / Hyderabad / (Appraisalment / Enforcement / Ports), Quetta / Gwadar / Khuzdar (Appraisalment / Enforcement / AIIA), (Appraisalment-East / West, Lahore / Faisalabad Appraisalment / Enforcement, Sargodha / Enforcement & Appraisalment, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisalment/ Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim/Custom House, Karachi) / Transit Trade, Karachi.

**Copy for information:**

- 1) The Member Customs (Operations), F.B.R., Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.

- 3) All Chief Collectors / Director Generals of Customs, Karachi / Lahore / Islamabad / Quetta / Peshawar.
- 4) All Collectors / Directors of Customs, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 5) The Director, Directorate of Customs Valuation, Lahore / Quetta / Peshawar.
- 6) The Deputy Director (MIS), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 7) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 8) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 9) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 10) The Webmaster, Federal Board of Revenue, Islamabad.
- 11) Guard File.

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