

*(This Ruling has been revised / superseded vide Valuation Ruling No. 1112/2017 dated 24-03-2017)*

\*\*\*

**GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI**

\*\*\*\*\*

**The Collectors of Customs**, Model Customs Collectorates, Appraisement (East / West) / Port Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta / Peshawar / Gawadar / Gilgit-Baltistan.

**Determination of Custom Values of Zippers (Low End Brands) Under Section 25-A of the Customs Act, 1969**

**(VALUATION RULING No. 887/2016)**

No. Misc/07/2009-VI-B/VIII/IX/9040

Dated: 27-07-2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Zippers (low end brands) are determined as follows:-

**2. Background of the valuation issue:** It was brought to the notice of this Directorate General of Customs Valuation that the values of Zipper (low end brands) have considerably increased in the international market as compared to the determined Customs values of Zipper (low end brands) vide Valuation Ruling No. 479/2012, dated 23-10-2012. The impugned Valuation Ruling required revision in line with the prevailing prices in the international market. Therefore, this Directorate General initiated an exercise for determination of customs value for Zippers.

**3. Stakeholders' participation in determination of Customs values:** Meetings with stakeholders were held on 21-06-2016 and 19-07-2016, and the importers were requested to furnish the following documents:-

- A. Invoices of imports during last three months showing factual value.
- B. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- C. Copies of Contracts made/LCs opened during the last three months showing the value of item in question.
- D. Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.

**4. The meetings were attended by different importers.** The importers during the meetings were of the view that the prices of different kinds of zippers had not increased in the international market. They, however, could not submit any corroboratory evidence/documents in support of their contentions. They requested that they might be allowed some time to furnish evidences and other documents in support of their contentions but failed to submit any such document.

**5. Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at fair value of Zippers. Transaction value method provided in Section 25 (1) was found inapplicable owing to wide variation in the values being declared to the customs and incomplete descriptions. Identical / similar goods value methods provided in Section 25(5) & (6) were examined for applicability to the valuation Issue in the instant case which provided some reference values of the subject goods but the same could not be exclusively relied on due to wide variation in declared values of subject goods. Thereafter, market enquiry as envisaged under Section 25(7) of the Customs Act, 1969, was conducted. As the stakeholders were not forthcoming with the values of the Zipper (low end brands) as being traded in the international market, therefore different markets were surveyed repeatedly for the purpose. Online prices were also

obtained to corroborate the findings of the market surveys. Computed Value Method as provided in Section 25 (8) could not be applied for valuation of the aforementioned goods as the cost of raw material and fabrication charges under clause (a) and amount of profit and general expenses under clause (b) of Section 25 (8) of the Act, in the country of export, could not be ascertained. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values of Zippers. Consequently, the Customs values of Zipper (low end brands) have been determined under Section 25(9) of the Customs Act, 1969.

7. **Customs values for Zippers (low end brands):** Zippers (low end brands), hereinafter specified, shall be assessed to duty/taxes at the Customs Values mentioned below:-

**(TABLE-A) "ZIPPERS (LOW END BRANDS)-CUT TO SIZE".**

S.NO	Description of Goods	PCT	Proposed PCT for WeBOC	Origin	Customs Value (C&F) US\$/Kg
1	Metallic/Brass	9607.1100	9607.1100.1000	China	6.30
			9607.1100.1100	Indonesia	6.70
			9607.1100.1200	Korea	6.85
			9607.1100.1300	Taiwan	6.82
			9607.1100.1400	Thailand/ Vietnam/ Hong Kong	6.77
			9607.1100.1500	Other Asian Countries	6.80
2	Nylon/Polyester/Plastic	9607.1100	9607.1100.1500	China	4.34
			9607.1100.1600	Indonesia	4.60
			9607.1100.1700	Korea	4.90
			9607.1100.1800	Taiwan	4.80
			9607.1100.1900	Thailand/ Vietnam/ Hong Kong	4.70
			9607.1100.2000	Other Asian Countries	4.80
3	Aluminum	9607.1100	9607.1100.2100	China	3.65
		9607.1100	9607.1100.2200	Indonesia	4.05
		9607.1100	9607.1100.2300	Korea	4.34
		9607.1100	9607.1100.2400	Taiwan	4.20
		9607.1100	9607.1100.2500	Thailand/ Vietnam/ Hong Kong	4.10
		9607.1100	9607.1100.2600	Other Asian Countries	4.30

**(TABLE-B) "ZIPPERS (LOW END BRANDS)- IN ROLLS".**

S.NO	Description of Goods	PCT	Proposed PCT for We BOC	Origin	Customs Value (C&F) US\$/Kg
1	Metallic/Brass	9607.1100	9607.1100.1000	China	5.80
			9607.1100.1100	Indonesia	6.10
			9607.1100.1200	Korea	6.45
			9607.1100.1300	Taiwan	6.25
			9607.1100.1400	Thailand/	6.15

				Vietnam/ Hong Kong		
			9607.1100.1500	Other Asian Countries	6.30	
2	Nylon/Polyester/Plastic	9607.1100	9607.1100.1500	China	2.15	
			9607.1100.1600	Indonesia	2.50	
			9607.1100.1700	Korea	2.68	
			9607.1100.1800	Taiwan	2.62	
			9607.1100.1900	Thailand/ Vietnam/ Hong Kong	2.55	
			9607.1100.2000	Other Asian Countries	2.65	
3	Aluminum	9607.1100	9607.1100.2100	China	3.35	
			9607.1100	9607.1100.2200	Indonesia	4.10
			9607.1100	9607.1100.2300	Korea	4.40
			9607.1100	9607.1100.2400	Taiwan	4.30
			9607.1100	9607.1100.2500	Thailand/ Vietnam/ Hong Kong	4.20
			9607.1100	9607.1100.2600	Other Asian Countries	4.30

8. 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 or in case of import through Land Customs Stations, the differential amount between the sea freight and land transport charges while applying the Customs values determined in this Ruling.

**9. 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-Sections (1) or (3) of Section 25-A of the Customs Act, 1969.

**10. Revision of the value determined vide 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 issue of this ruling, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

11. 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.

12. *This Valuation Ruling supersedes Valuation Ruling No. 479/2012, dated 23-10-2012.*

**(Dr. wasif Ali Memon)**  
**Director**

**Copy for information to: -**

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad
7. Director General, Intelligence and Investigation-FBR, Islamabad
8. Director General, Audit (Customs & Petroleum), 1st Floor, PT &T Audit Building, Mauj-e-Darya Road, Lahore
9. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
11. Directors, Intelligence & Investigation, Karachi/Lahore / Islamabad / Quetta / Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in We BOC database system and deleting Valuation Ruling No.479/2012, dated 23-10-2012.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
16. Law Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi