

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

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**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 CUSTOMS VALUES OF SYNTHETIC RUBBER “NBR” & SBR**  
**UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969**

**(VALUATION RULING No. 912/2016)**

No. Misc/03/2013-III/9308

Dated: 22-08-2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Synthetic Rubber “BR” & “SBR” are determined as follows:-

**2. Background of the valuation issue:** Customs value of Synthetic Rubber (NBR & SBR) were determined vide Valuation Ruling No. 772/2015 dated 23-11-2015. The trade community has been demanding revision of prices of this commodity owing to downward trend in its prices in international market and in the light of orders of Honorable Sindh High Court in CP 6918 dated 10-11-2015. Therefore, an exercise was undertaken to re-determine the customs value of the subject goods under Section 25A of the Customs Act, 1969.

**3. Stakeholders' participation in determination of Customs values:** The Meeting held with stakeholders was attended by commercial importers as well as local manufacturers of Tyre Industries. Both commercial importers and manufacturers of Tyre Industries requested for downward revision keeping in view the decline in international prices of the commodity. All the participants were requested to provide relevant documents, test reports, literature, Sales Tax invoices and proposed workings in support of their contention. However no substantial evidence and relevant documents were submitted by the stakeholders to support their claim.

**4. Method adopted to determine Customs values:** Valuation methods provided under Section 25 of the Customs Act, 1969 were followed to arrive at fair value of Synthetic Rubber (NBR & SBR). Transaction value method provided in Section 25 (1) was found inapplicable because the requisite information was not available. 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 the prices. Thereafter, market enquiry as envisaged under section 25(7) of the Customs Act, 1969, was conducted but since the goods being industrial items, were not available in the open market therefore the market enquiry did not yield any result(s). The computed value method as provided in Section 25(8) of the Customs Act, 1969, could not be applied as the conversion costs from the constituent material in the country of export were not available. Online values were also checked. Keeping in view all the factors and after carefully analyzing all the information obtained from different sources and input provided by the stakeholders during the meeting customs values of subject goods were determined under Section 25(9) of the Customs Act, 1969.

**5. Customs values for Synthetic Rubber (NBR & SBR):** Synthetic Rubber (NBR & SBR) hereinafter *specified* shall be assessed to duty/taxes at the following values: -

S. No.	Description of Goods	PCT Heading	Proposed PCT for WEOC	Origins	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	
1.	Synthetic Rubber (SBR)	4002.1900	4002.1900.1000	Korea, India, China, Taiwan, Brazil, Indonesia, Thailand, UAE,	1.50

				Iran & Russia	
			4002.1900.1100	Other	1.70
2.	Synthetic Rubber (NBR)	4002.5900	4002.5900.1000	Korea, China, Taiwan, Indonesia & Thailand	1.75
			4002.5900.1100	Other	2.00

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

**8. 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.

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 Directorate General immediately. Customs values determined the ruling are for the description and specification as mentioned in the table above of this Ruling. HS Codes are mentioned for illustrative purpose 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.

11. This Ruling supersedes Valuation Ruling No. 772/2015, dated 23-11-2015.

**(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), 1<sup>st</sup> Floor, PT & T Audit Building, 'Mauj-e-Darya Road, Lahore.
09. 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 One Customs & WeBOC database system and deleting Valuation Ruling No. 772/2016, dated 23-11-2015.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.

15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.