

*(This Ruling has been revised / superseded vide Valuation Ruling No. 1214/2017 dated 27-09-2017)*

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

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**The Collectors of Customs, Model Customs Collect orates, 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 LATEX RUBBER THREADS UNDER  
SECTION 25-A OF THE CUSTOMS ACT, 1969**

**(VALUATION RULING No. 1019/2017)**

No. DG/VDB/REF/52/2016-III/180

Dated: 24<sup>th</sup> January, 2017

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Latex Rubber Threads are determined as follows:-

**2. Description of the valuation issue:** The Customs values of Latex Rubber Threads of various counts were suggested vide VDB letter No. 31 dated 17.08.2016. An exercise was conducted to re-examine the value suggested in aforementioned VDB letter in order to bring them in line with current price trend in the international market. It was deemed expedient to determine the customs values or the subject goods in the light of prevailing international market prices and issue a Valuation Ruling.

**3. Stakeholder's participation in determination of Customs values:** Stakeholders' meetings were scheduled on 18.01.2017 and 24.01.2017. All participants were requested to submit the following documents:

- i. Invoices of imports during last three months showing factual value.
- ii. Websites names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii. Copies of Contracts made/ LCs opened during the last three months showing the value of item in question.
- iv. Copies of Sales Tax Invoices issued during last three 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.

The meetings were attended by commercial importers and local manufacturer of latex Rubber threads. The importers requested that the prices of Latex Rubber Threads were lower in the international market whereas the local manufacturer insisted to increase the value as prices of the raw material is currently on higher side. The different categories of counts were decided unanimously by the both the local manufacturer and importers during the meeting on 24.01.2017. Some importers submitted import invoices however, the remaining requisited documents have not been furnished till date by the importers.

**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 Latex Rubber Threads. transaction value method provided in Section 25(1) was found inapplicable because the requisite information was not available as per law. 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, could not conducted because the subject goods are industrial item. The computed value method as provided in Section 25(8) of the Customs Act, 1969, could not be applied as

conversion costs in the country of export were not available. Finally available data, input provided by the stakeholders “as evaluated and international prices from internet sources were thoroughly examined. All the information so gathered was carefully analyzed for determination of customs value of Latex Rubber Threads. Consequently, the fall back method as provided under section 25(9) of the Customs Act, 1969 was applied to arrive at the assessable customs values of latex Rubber Threads in this case.

5. Customs Values of Latex Rubber Threads hereinafter specified shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below:

S. No.	Description of Goods	PCT	Proposed PCT for WEOC	Origin	Customs Values (C&F) US\$/kg
(1)	(2)	(3)	(4)	(5)	(6)
01	Latex Rubber Threads (30 to 44 counts)	4007.0010 4007.0090	4007.0010.1000 4007.0090.1000	Malaysia/ Thailand	2.65
02	Latex Rubber Threads (45 to 55 counts)	4007.0010 4007.0090	4007.0010.1100 4007.0090.1100		2.75
03	Latex Rubber Threads (56 to 63 counts)	4007.0010 4007.0090	4007.0010.1200 4007.0090.1200		2.80
04	Latex Rubber Threads (64 to 90 counts)	4007.0010 4007.0090	4007.0010.1300 4007.0090.1300		3.55

6. In cases where declared/ transaction values are higher than the Customs values determined in this Ruling the assessing officer s shall apply those values in terms of Section of the Customs Act, 1969. In case of consignments Imported by air, the assessing officer shall take into account air freight while applying the Customs values determined in this Ruling.

7. **Validity of 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. **Review of the value determined vide this Valuation Ruling:** A review 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, 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 there in.

**(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, Post Clearance Audit (PCA), Islamabad.
9. Directors, Intelligence & Investigation, Karachi/ Lahore/ Islamabad/ Quetta/ Peshawar/ Faisalabad.
10. The Project Director, WeBOC, 11<sup>th</sup> Floor, Customs House, Karachi.
11. Director, Customs Valuation Customs House, Lahore.
12. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading this Val. Ruling in One Customs & WeBOC database and deleting values mentioned VDB letter No.31 dated 17.08.2016 from the system.
13. Chairman (Valuation Committee), FPCC & I, Federation House, Clifton, Karachi.
14. Chairman (Valuation Committee), KCC & I, Aiwan-e-Tijarat Road, Karachi.
15. Customs Revenue Audit, 8<sup>th</sup> Floor, Custom House, Karachi.
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.
20. Notice Board, Customs Valuation 7<sup>th</sup> Floor, Custom House, Karachi/ MCC, Appraisement, 1<sup>st</sup> Floor, Custom House, Karachi.