

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

The Collectors of Customs, Collectorate of Customs, (Appraisement - East / West/ Port Muhammad Bin Qasim / Enforcement / JIAP), Karachi / Hyderabad (Appraisement / Enforcement), Quetta / Gawadar / (Appraisement / Enforcement / AIIA) / Lahore / Appraisement, Faisalabad / Appraisement, Smbrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / Export ((Appraisement / Enforcement), Peshawar / Enforcement, Dera Ismail Khan

**DETERMINATION OF CUSTOMS VALUES OF BUTTONS UNDER SECTION 25-A OF
THE CUSTOMS ACT, 1969**

(VALUATION RULING No. 1656/2022)

No. No. Misc/43/2017-IX/591

Dated: 7th June, 2022

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

2. Background of the valuation issue: Earlier, the customs values of Buttons was determined under section 25A of the Customs Act, 1969 customs values of vide Valuation Rulings No. 1243/2018 dated 09-01-2018. Since the Valuation Ruling was more than four years old, representations were received in this Directorate General to revise the same as per prevalent market price. Therefore, an exercise was initiated in this Directorate General to determine customs values, of subject goods in terms of Section 25A of the Customs Act, 1969.

3. Stakeholders' participation in determination of Customs values: Meeting with all stakeholders, trade bodies including representatives of clearance Collectorates were held in this Directorate General on 19-04-2022. The importers/stakeholders were requested to submit their proposals/suggestions as well as following documents before or during the course of stakeholders' meeting so that Customs value could be determined:

- 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 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 meeting was attended by number of importers during the meeting were of the view that the prices of the subject commodities have not increased in the international market and value of aforesaid VRs are fair. They, however, could not submit any corroboratory evidence/ documents in support of their contentions. On the other hand. They were shown ample evidence that values in international market were higher than those determined. However, the representative of local- garment industries contended that they import the subject goods as per their requirements / Specifications and at the much higher rate as compared to the ones declared by commercial importers.

5. Methods Adopted to Determine Customs Values: Valuation methods provided in Section 25 of the Customs Act, 1969 were followed arrive at customs values of button. The transaction value method provided in Section 25(1) was found inapplicable owing to wide variation in the values being declared to the customs and in complete descriptions. Identical similar goods value method provided in Section 25(5) & (6) were examined for applicability to the valuation issue in the instant ease which provided some reference value of the subject goods but the same could not be exclusive relied on due to wide variation in declared values of subject goods. Thereafter, market enquires as envisaged under section 25(7) of the Customs Act, 1969, were conducted. A number of items sold in the local market

the price were obtained and worked out by deductive method of valuation. Consequently, the customs values of the buttons of various types have determined under section 25(7) of the Customs Act, 1969.

6. Customs values for Buttons thereof hereinafter specified shall be assessed to duty/taxes at the Customs values mentioned against them in the Table below:-

S. No	Description of Goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Value (C&F) in US\$/Kg
1.	Plastic Buttons (Plain)	9606.2100 9606.2200 9606.2920 9606.2990	9606.2100.1000 9606.2200.1000 9606.2920.1000 9606.2990.1000	China	5.60
			9606.2100.1100 9606.2200.1100 9606.2920.1100 9606.2990.1100	Other Origins	7.00
			9606.2100.1200 9606.2200.1200 9606.2920.1200 9606.2990.1200	China	6.00
			9606.2100.1300 9606.2200.1300 9606.2920.1300 9606.2990.1300	Other Origins	6.70
2.	Plastic (Pearl/Beads) buttons		9606.2100.1400 9606.2200.1400 9606.2920.1400 9606.2990.1400	China	5.00
			9606.2100.1500 9606.2200.1500 9606.2920.1500 9606.2990.1500	Other Origins	5.60
			9606.2100.1600 9606.2200.1600 9606.2920.1600 9606.2990.1600	China	5.70
			9606.2100.1700 9606.2200.1700 9606.2920.1700 9606.2990.1700	Other Origins	6.10
3.	Iron/Steel (Non Magnetic) Plain Buttons		9606.2100.1800 9606.2200.1800 9606.2920.1800 9606.2990.1800	China	6.80
			9606.2100.1900 9606.2200.1900 9606.2920.1900 9606.2990.1900	Other Origins	7.60
			9606.2100.1900 9606.2200.1900 9606.2920.1900 9606.2990.1900	China	7.85
			9606.2100.1900 9606.2200.1900 9606.2920.1900 9606.2990.1900	Other Origins	8.80

7. In cases where declared/transaction values are higher than the customs values determined in this Ruling or higher evidential data is available of stipulated period 90 days, the assessing officers shall apply those values in terms of sub-Section (1) of Section 25 of the Customs Act, 1969, and the same may be communicated to this Directorate General forthwith. In case of consignment imported by air, the assessing officer shall take into account the difference between air freight and sea freight while applying the customs values determined in this Ruling.

8. Validity of Valuation Ruling: The values determined vide this Ruling shall be the applicable Customs values for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Sections (4) of Section 25A of the Customs Act, 1969.

9. Revision of the Value Determined vide this Valuation Ruling: 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 issue, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

10. 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 in the ruling are for the description and specification as mentioned in the above table 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 Valuation Ruling supersedes Valuation Ruling No. 1243/2018 dated 09-01-2018.

(SYED FAWAD ALI SHAH)

Director

Copy for information to:-

1. The Member Customs (Policy/Operations), F.B.R, Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, Appraisement (South) Custom House, Karachi.
4. The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
5. The Chief Collector of Customs, Appraisement (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 Balochistan, Custom House, Quetta.
9. The Chief Collector of Customs Khyber Pakhtunkhwa, Custom House, Peshawar.
10. The Director General, Intelligence and Investigation-FBR, Islamabad.
11. The Director General, PCA& Internal Audit, Karachi.
12. The Director General, IOCO, Karachi
13. The Director General, Transit Trade, Custom House Karachi
14. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
15. The Director, Transit Trade, Custom House Karachi
16. The Director, Directorate of Customs Valuation, Lahore.
17. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs &WEBOC database system.
18. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
19. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta &Peshawar.
20. The Karachi Customs Agents Group, Bohri Road, Karachi.
21. The Webmaster, Federal Board of Revenue, Islamabad.
22. Guard File.

