



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

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

**DETERMINATION OF CUSTOMS VALUES OF IRON OR STEEL
WOOL/POT SCOURER UNDER SECTION 25A OF THE
CUSTOMSACT,1969.**

(VALUATION RULING NO 1577 /2021)



File No.V.Khi/15/Scourer/25A/VI /1015.

Dated: -08-12-2021

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs values of Iron or Steel Wool/Pot Scourer are determined as follows:

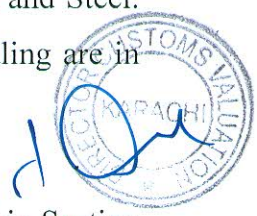
2. **Background of the valuation issue:** A letter was received from Model Customs Collectorate of Appraisement Lahore vide Reference No. V-Cus-/Misc/G-III/14/2021/193 Dated 06-04-2021. They informed that they have assessed a GD provisionally and importer has filed a review petition under section 25D of Custom Act 1969 before Director General of Customs Valuation, Karachi which was not finalized. They requested for an early issuance of revised Valuation Ruling. Accordingly, an exercise was initiated to re-determine the customs value of Iron and Steel Wool/Pot Scourer under Section 25A of the Customs Act, 1969, in terms of sub-rule (a) of Custom Rule 107.

3. **Stakeholders' participation in determination of Customs values:** Meetings with all stakeholders, trade bodies including the representatives of clearance Collectorates was held in this Directorate General on 11-11-2021. The importers/stakeholders were requested to submit their proposals/suggestions, as well as the following documents before or during the course of stakeholders' meeting, so that Customs values could be determined.

i) Invoices of imports during last three months showing factual value.

- 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 importers and stakeholders and their points of view were heard in detail to arrive at custom values of subject goods. They claimed that the manufacturing process was relatively simple and that the end product was of low value/quality Iron and Steel. On the other hand manufacturers were of the view that the values in the previous ruling are in order since raw material prices are high.



5. **Method adopted to determine Customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969, were duly applied in their regular sequential order to arrive at customs value of subject goods. The Transaction value method as provided in sub-section (1) of Section 25 of the Customs Act 1969, was found inapplicable because no substantial documents were provided by the stakeholders to prove that their declared values were true transactional values. Moreover, different values were declared by different importers for same product according to different origins. Identical / similar goods values methods provided in Section 25 (5) & (6) *ibid* were examined for applicability to determine customs values of subject goods. The data provided some references but due to wide variations in declaration, verity and specification could not be relied upon exclusively. In line with statutory sequential order of section 25, this office conducted various market inquiries under sub-section (7) of Section 25 of the Customs Act, 1969. Finally, reliance had to be made on sub-section (7) of Section 25 of the Customs Act, 1969 to determine Customs Values of Port Scourer.

6. **Customs values for Port Scourer hereinafter specified** shall be assessed to duty / taxes at the following minimum Customs Values given against them in the Table below:-

S.No.	Description of goods	PCT	Proposed PCT for WEBOC	Origin	Customs Values (C&F) (US\$/KG)
(1)	(2)	(3)	(4)	(5)	(6)
01.	Iron and Steel Scourer	7323.1000	7323.1000.1000	All Origins	1.15
02.	Stainless Steel Scourer	7323.1000	7323.1000.1100	All Origins	1.30



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) 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 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 (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 of this ruling, 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 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.

11. This Valuation Ruling supersedes Valuation Ruling No. 1506/2021 dated 04-01-2021


(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, South (Appraisalment), Custom House, Karachi.
- 4) The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
- 5) The Chief Collector of Customs (Central), Lahore.
- 6) The Chief Collector of Customs (North), Islamabad.
- 7) The Chief Collector of Customs, (Enforcement), Custom House, Quetta.
- 8) The Director General, Intelligence and Investigation-FBR, Islamabad.
- 9) The Director General, PCA& Internal Audit, Karachi.
- 10) The Director General, IOCO, Karachi
- 11) The Director General, Transit Trade, Custom House Karachi
- 12) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 13) The Director, Transit Trade, Custom House Karachi
- 14) The Director, Directorate of Customs Valuation, Lahore.
- 15) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 16) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 17) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 18) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 19) The Webmaster, Federal Board of Revenue, Islamabad.
- 20) Guard File.