

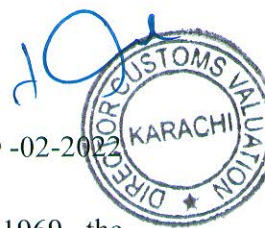
The Collector of Customs, Collectorate of Customs (Appraisement -West / Appraisement -East / Appraisement - Port Muhammad Bin Qasim / Enforcement / JIAP), Karachi /Hyderabad / (Appraisement / Enforcement),Quetta / Gawadar / (Appraisement / Enforcement / AIIA), Lahore / Appraisement, Faisalabad / Appraisement, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisement / Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim / Custom House Karachi) / Transit Trade, Karachi.

DETERMINATION OF CUSTOMS VALUE OF CHLORINATED PARAFFIN WAX (LIQUID) AND CALCIUM CARBIDE UNDER SECTION 25A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1603/2022)

C. No. Misc/06/2016-II/217

Dated: 25-02-2022



In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the customs value of Chlorinated Paraffin Wax (Liquid) and Calcium Carbide is determined as follows:

2. **Background of the valuation issue:** Earlier, the customs value of Chlorinated Paraffin Wax (Liquid) and Calcium Carbide was determined vide Valuation Ruling No. 1468/2020 dated 08.09.2020. Representations were received from different stakeholders to determine a fresh values of the said goods due to price change in the international market. Accordingly, an exercise was undertaken by this Directorate General to determine the customs value of subject goods.

3. **Stakeholders' participation in determination of Customs values:** Meeting with all stakeholders was held in this Directorate General on 01-02-2022. 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 import during last three months showing factual values
- 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.

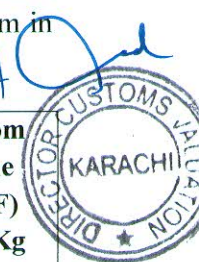
4. The meeting was attended by the stakeholders including the manufacturer and importers and they were of the view that the values of the subject goods are on a higher side in the international market, therefore, the customs values of aforesaid goods may be determined accordingly. The views of the stakeholders were heard in detail and they were requested to submit the relevant import documents and evidences in order to substantiate their contention and to arrive at the customs values of subject goods.

5. **Methods 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 value methods provided in Sections 25 (5) & (6) ibid were examined for applicability to determine customs values of subject goods. In line with statutory sequential order of section 25, this office conducted market inquiries using deductive value methods under sub-section (7) of Section 25 of the Customs Act, 1969, but due to industrial nature, items were not readily available in the market, therefore, this method of valuation could not be relied upon due to aforesaid reasons. Valuation method vide Section 25(8) of the Customs Act, 1969, was examined for valuation but the same also could not be applied due to non availability of conversion and processing cost of exporting country. All the available information was analyzed and evaluated. However, import clearance was taken into consideration, examined and consequently, similar and identical methods as provided under Section 25(5)&(6) of the Customs Act, 1969 were applied to arrive at assessable Customs values of Chlorinated Paraffin Wax (Liquid) and Calcium Carbide.

6. **Customs Values of Chlorinated Paraffin Wax (Liquid) and Calcium Carbide - hereinafter specified** shall be assessed to duty/taxes on the minimum Customs values mentioned against them in the Table below:

Sr. No.	Description of Goods	PCT Code	Proposed PCT for WeBOC	Origin	Custom Value (C&F) USS/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	Chlorinated Paraffin Wax (Liquid) Chlorine content 62%	3824.9980	3824.9980.1000	China	0.82
			3824.9980.1100	Other origins	0.90
3824.9980.1200	China		1.00		
3824.9980.1300	Taiwan		1.10		
3824.9980.1400	Other origins		1.14		
2	Chlorinated Paraffin Wax (Liquid) all other grades		2849.1000	2849.1000.1000	China/ Far East/ Middle East



7. In cases where declared/transaction values are higher than the customs value 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. PCT 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. 1468/2020 dated 08-09-2020.***


(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, Appraisalment (South) Custom House, Karachi.
- 4) The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
- 5) The Chief Collector of Customs, Appraisalment (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.