

The Collectors of Customs, Model Customs Collectorates, Appraisement & Facilitation (East / West) / Port Muhammad Bin Qasim / JIAP, Karachi (Appraisement & Facilitation / Enforcement & Compliance), AIIA Lahore / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta (Appraisement / Preventive) / Peshawar (Appraisement & Facilitation/ Enforcement & Compliance) / Gawadar / Gilgit-Baltistan / Export (Karachi / Port Qasim)

**DETERMINATION OF CUSTOMS VALUES OF NATURAL RAW RUBBER OF
DIFFERENT GRADES, SYNTHETIC RUBBER (NBR & SBR) &
LATEX CENTRIFUGED RUBBER 60% DRC
UNDER SECTION 25 A OF THE CUSTOMS ACT, 1969**

(VALUATION RULING NO. 1623 /2022)



C. No. Misc/10/2012-III / 325.

Dated: - 31 -03-2022

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs values of Natural Raw Rubber different grades are determined as follows:

2- **Background of the valuation issue:** Earlier the customs values of Natural Raw Rubber of different grades, Synthetic Rubber (NBR&SBR) & Latex Centrifuged Rubber 60% DRC were determined under Section 25A of the Customs Act, 1969, vide Valuation Rulings 1469/2020 dated 11-09-2020. However, representations were received from importers and manufactures for revision and rationalization of the existing Valuation Ruling in the light of prevailing values in the international market. Accordingly, an exercise was initiated to determine the values of said items under Section 25A of the Customs Act, 1969.

3- **Stakeholders' participation in determination of Customs values:** Meeting with the stakeholders was held on 10-02-2022. The stakeholders were requested to furnish the following documents before or during the course of above said meeting:

- 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 documents.

4- The meeting was attended by the importers who were of the view that there was change in prices in the international market for rubber and the prices for the subject goods were on an upward trend. The importers not submit documents in support of their contention.

5- **Methods Adapted to Determine Customs Values:** Valuation methods provided under Section 25 of the Customs Act, 1969 were followed. Transaction value method provided given in Section 25 (1) was found inapplicable because the requisite information was not available. Identical / similar goods value method provided in Section 25(5) & (6) were examined which provided some reference values but due to wide variation could not be exclusively relied on. Deductive Value Method as envisaged under Section 25(7) of the Customs Act, 1969, was examined but the same was not helpful because the goods are direct industrial raw materials not available in the open market. Hence, all specifications were not readily available. Similarly, the method under 25(8) of the Customs Act, 1969, could not be applied fully due to non-availability of details of expenses relating to conversion costs incurred in the country of manufacture. Finally, international online prices were examined thoroughly within the meaning of proviso to sub-section (1) of Section 25A inserted vide Finance Act, 2021. All the information so gathered and documents was analyzed for determination of Customs Value of the subject goods. Consequently, the Fall Back method as provided under section 25(9) of the Customs Act, 1969 was applied to arrive at assessable customs value of Natural Raw Rubber of different grades, Synthetic Rubber (NBR&SBR) & Latex Centrifuged Rubber 60% DRC.

6- **Customs Values of Natural Raw Rubber of different grades, Synthetic Rubber (NBR & SBR) & Latex Centrifuged Rubber 60% DRC-hereinafter specified,** shall be assessed to duty/taxes at the following minimum Customs values: -



Sr. No	Description of goods	PCT Heading	PCT for WeBOC	Origin	Previous VRs Custom Values C&F (US\$/Kg)
1	Natural Raw Rubber Smoked Sheets RSS-1, 2 & 3 (ISNR-5/ISNR-10) STR-5/SIR-5, STR-10/SIR-10 and equivalent TSNR grades	4001.2100, 4001.2200, 4001.2900	4001.2100.1000, 4001.2200.1000, 4001.2900.1000	Sri Lanka, Vietnam, Thailand, Indonesia, Bangladesh, Myanmar & Cambodia	2.30
2		4001.2100, 4001.2200, 4001.2900	4001.2100.1100, 4001.2200.1100, 4001.2900.1100	Other Origins	2.66
3	Natural Raw Rubber Smoked Sheets RSS-4 & 5 (ISNR-20/ISNR-50) STR-10/SIR-10, STR-20/SIR-20 and equivalent TSNR grades	4001.2100, 4001.2200, 4001.2900	4001.2100.1200, 4001.2200.1200, 4001.2900.1200	Sri Lanka, Vietnam, Thailand, Indonesia, Bangladesh, Myanmar & Cambodia	1.81
4		4001.2100, 4001.2200, 4001.2900	4001.2100.1300, 4001.2200.1300, 4001.2900.1300	Other Origins	2.05
5	Natural Raw Rubber Smoked Sheets RSS (other than above grades)	4001.2100, 4001.2200, 4001.2900	4001.2100.1400, 4001.2200.1400, 4001.2900.1400	Sri Lanka, Vietnam, Thailand, Indonesia, Bangladesh, Myanmar & Cambodia	2.00

6		4001.2100, 4001.2200, 4001.2900	4001.2100.1500, 4001.2200.1500, 4001.2900.1500	Other Origins	2.24
7	Natural Raw Rubber Crepe TPC3 White STR-3L/SIR-3L and equivalent TSNR grades	4001.2100, 4001.2200, 4001.2900	4001.2100.1600, 4001.2200.1600, 4001.2900.1600	Sri Lanka, Vietnam, Thailand, Indonesia, Bangladesh, Myanmar & Cambodia	2.30
8		4001.2100, 4001.2200, 4001.2900	4001.2100.1700, 4001.2200.1700, 4001.2900.1700	Other Origins	2.66
9	Natural Raw Rubber Crepe International No.3 (ISNR-5 & ISNR-3) STR- 5L/SIR-5L and equivalent TSNR grades	4001.2100, 4001.2200, 4001.2900	4001.2100.1800, 4001.2200.1800, 4001.2900.1800	Sri Lanka, Vietnam, Thailand, Indonesia, Bangladesh, Myanmar & Cambodia	2.22
10		4001.2100, 4001.2200, 4001.2900	4001.2100.1900, 4001.2200.1900, 4001.2900.1900	Other Origins	2.37
11	Natural Raw Rubber Crepe (other than above grades)	4001.2100, 4001.2200, 4001.2900	4001.2100.2000, 4001.2200.2000, 4001.2900.2000	Sri Lanka, Vietnam, Thailand, Indonesia, Bangladesh, Myanmar & Cambodia	2.10
12		4001.2100, 4001.2200, 4001.2900	4001.2100.2100, 4001.2200.2100, 4001.2900.2100	Other Origins	2.40
13	Synthetic Rubber (SBR)	4002.1900	4002.1900.1000	Korea, India, China, Taiwan, Brazil, Indonesia, Thailand, UAE, Iran & Russia	2.08
14		4002.1900	4002.1900.1100	Other Origins	2.30
15	Synthetic Rubber (NBR)	4002.5900	4002.5900.1000	Korea, China, Taiwan, Indonesia & Thailand	2.60
16		4002.5900	4002.5900.1100	Other Origins	2.90
17	Natural Raw Rubber Latex Centrifuged 60% DRC - Imported in Flexi Bags	4001.1000	4001.1000.1000	Malaysia / Thailand	1.36
18		4001.1000	4001.1000.1100	Vietnam	1.2
19		4001.1000	4001.1000.1200	Sri Lanka	1.64
20	Natural Raw Rubber Latex Centrifuged 60% DRC - Imported in iron /	4001.1000	4001.1000.1300	Malaysia / Thailand	1.48
21		4001.1000	4001.1000.1400	Vietnam	1.32

22	steel drums	4001.1000	4001.1000.1500	Sri Lanka	1.79
Note: If the goods of Serial No. 01 to 12 are imported in the shape of Blocks US \$25/PMT shall be added on the values determined in the above table against S.No.1 to 12					

7- 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 Section 25 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.

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 (1) or (3) 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. 1469 dated 11-09-2020***

S. 

(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.