GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorates, Appraisement (East / West)/ Port Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan/ Exports (Karachi/Port Qasim)/Directorate of Transit Trade, Karachi

Determination of Customs Value of Natural Raw Rubber Latex Centrifuged 60% DRC Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO.1257/ 2018)

No.Misc/10/2017-III /175 Dated: February 08 , 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Natural Raw Rubber Latex Centrifuged 60% DRC are determined as follows:

2. **Background of the Valuation Issue:** The customs values of Natural Raw Rubber Latex Centrifuged 60% DRC were determined under Section 25A of the Customs Act, 1969, vide Valuation Ruling No.1056/2017 dated 28-02-2017. However various representations were received from manufacturers, wherein they requested to the Directorate General for revision and rationalization of the existing Valuation Ruling, especially with reference to determination of customs values keeping in view international market trends of the subject goods.

3. **Stakeholders' Participation in Determination of Customs Values:** Meeting with stakeholders was held on 08-02-2018. The stakeholders were requested to furnish the following documents before or during the course of above said meeting:-

A. Invoices of imports during last three months showing factual value.
B. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
C. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
D. 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 manufacturers. They submitted their documents indicating the values of the subject items have decreased over the months considerably and shall be aligned with the prices as available in the international market. They were especially concerned with the values of such rubber being imported from Thailand.

5. **Method Adopted to Determine Customs Values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed to determine customs value of Natural Raw Rubber Latex Centrifuged 60% DRC. Transaction value method provided in Section 25 (1) was found inapplicable owing to incomplete description/information. Identical/ similar goods value methods provided in Section 25(5) & (6) were examined for applicability to the valuation issue in the instant case. However, data showed variation leading to no definite result. The valuation method under section 25(7) provided some glimpse but without any conclusive findings. Computed value method under section 25(8) could not be applied for valuation of afore-mentioned goods. Consequently, all the data gathered was evaluated and reliance was placed upon sub-section (9) of Section 25 of the Customs Act 1969, for valuation of Natural Raw Rubber Latex Centrifuged 60% DRC.

6. **Customs Values of Natural Raw Rubber Latex Centrifuged 60% DRC:** Natural Raw Rubber Latex Centrifuged 60% DRC, hereinafter specified, shall be assessed to duty/taxes at the following Customs Values : -

S. No	Description of goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) in US$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Natural Raw Rubber Latex Centrifuged 60% DRC- imported in Flexi bags	4001.1000	4001.1000.1000	Malaysia/ Thailand	**1.30**
2.			4001.1000.1100	Vietnam	**1.10**
3.			4001.1000.1200	Sri Lanka	**1.50**
4.	Natural Raw Rubber Latex Centrifuged 60% DRC- imported in iron/steel drums		4001.1000.1300	Malaysia/ Thailand	**1.40**
5.			4001.1000.1400	Vietnam	**1.20**
6.			4001.1000.1500	Sri Lanka	**1.60**

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 25-A 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 25-D 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 ruling supersedes Valuation Ruling No.1056/2017, dated 28.02.2017.***

(Muhammad Iqbal Muneeb)
Director

Copy for information to : -

1. The Member (Customs), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisement), 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 Director General, Intelligence and Investigation-FBR, Islamabad.
8. The Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
9. The Director General, Post Clearance Audit (PCA), Islamabad.
10. The Director General, Internal Audit (Customs), Karachi.
11. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
12. The Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system and deleting Valuation Ruling No.1056*/2017, dated 28.02.2017.*
14. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. The Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. The Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. The Karachi Customs Agents Group, Bohri Road, Karachi.
19. The CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisement, 1st Floor, Custom House, Karachi.
21. Guard File.