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

Determination of Customs Values of Iron or Non Alloy Steel Wire Rod Low/High Carbon (draw quality) Under Section 25-a of the Customs Act, 1969.
(VALUATION RULING NO.1331/ 2018)

No.Misc/26/2010-VI /1354 Dated: September 28, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Iron or Non Alloy Steel Wire Rod Low/High Carbon (Draw Quality) determined as follows: -

2. **Background of the valuation issue:** Since the earlier custom value of Iron or Non-Alloy Steel Wire Rod Low/High Carbon (Draw Quality) determined vide Valuation Ruling No 693/2014 dated 26-09-2014 was considerably old, it needed to revision to reflect the current price trend prevailing in international market of these goods especially the freights. This prompted an exercise to re-determine the Custom values of the afore stated goods under Section 25-A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Meeting with stakeholders was held on 08-01-2018, 05.04.2018 & 12.09.2018, the participants were requested to submitted following documents before or during stakeholders' 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 that the benefit of difference in price

4. Different stakeholders including importers and officers from clearance Collectorate attended the meetings. The main contention of the importers was that the amount of freight has been kept at very value whereas actual freights have significantly reduced. Moreover, the import in break-bulk has not been considered while determining the values. Certain stakeholders contended that additions on account of draw quality have also been kept at high value. All the contentions of the participants were heard in detail and considered while determining customs value of the subject item.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were applied sequentially to address the valuation issue at hand. Transaction Value Method under Sub-Section (1) of Section 25 of the Act ibid was found inapplicable because required information under the law was not available. Identical and Similar

Goods valuation methods provided in Sub-Sections (5) and (6) of Section 25 of the Customs Act, 1969 provided some reference values but due to wide variations in the declarations the same could not be relied upon exclusively. In the sequential order this office also conducted market inquiries in terms of Sub-Section (7) of Section 25 of the Customs Act, 1969. Online available information was also checked. All the available information was analyzed and evaluated. Keeping all the above in view, Customs values of Iron or Non-Alloy Steel Wire Rod Low/High Carbon (Draw Quality) are determined under Sub-Section (9) of Section 25 of the Customs Act, 1969.

6. **Customs values for Iron or Non Alloy Steel Wire Rod Low /High Carbon (Draw Quality) hereinafter** specified shall be assessed to duty / taxes at the following Customs Values:-

S. No	Description	PCT Heading	Proposed PCT for WeBOC	Custom Value US$/MT
(1)	(2)	(3)	(4)	(6)
1	Iron or Non-Alloy Steel Wire Rod Low Carbon (Draw Quality)	7213.9190 7213.9990	7213.9190.1200 7213.9990.1300	LMB prices of Wire Rod + 5% (on account of Draw Quality, Size, etc.) + US$ 40/MT (minimum on account of freight)
2	Iron or Non-Alloy Steel Wire Rod High Carbon (Draw Quality)	7213.9190 7213.9990	7213.9190.1400 7213.9990.1500	Iron or Non- Alloy Steel Wire Rod Low Carbon (Draw Quality) as determined above + US$ 66/ MT

Note: Freight on account of break-bulk shipment shall be charged less US$ 5/MT as determined above.

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 Sub-Section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account the differential 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 (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 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 the 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 herein. PCT

Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible to the assessing officer. 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 693/2014 dated 26-09-2014***

(Mohammad Iqbal Muneeb)
Director
28/9/18

Copy for information to : -

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisement), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system and deleting Valuation Ruling No.693/2014, dated 26-09-2014 from the system on the date of issue of this ruling.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. 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.