GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL 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) / Multan / Islamabad / Sambrial(Sialkot) / Faisalabad / Hyderabad / Quetta/ Peshawar/ Gawadar/ Gilgit-Baltistan

DETERMINATION OF CUSTOMS VALUES OF LATEX,VINYL & NITRILE EXAMINATION & SURGICAL GLOVE H.S CODE 4015.1100 and 4015.1900 UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 950/ **2016**)

No. Misc/08/2015-III/9583 Dated : 06 Oct , 2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Latex, Vinyl & Nitrile Examination & Surgical Gloves are determined as follows:-

2. **Background of the valuation issue:** Customs values of Latex and Vinyl Examination & Surgical Gloves were determined vide Valuation Ruling 766/2015 dated 12.10.2015. The Valuation Ruling was almost one year old and needed to be revised keeping in mind the prevalent values of the goods in the international market. Therefore, an exercise was undertaken to re-determine the customs value of the subject goods.

3. **Stakeholder's participation in determination of Customs values:** Meetings with the stakeholders were held on 22.06.2016 & 06.10.2016. The participants were requested to furnish the following documents:

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 three 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.

The meeting was attended by some of the importers however; no requisitioned documents were submitted by them. During the meeting it was decided that Nitrile gloves were being mis-declared and needed to be added in current Valuation Ruling.

4. **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, 1969, was found

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inapplicable because required information under the law was not available. Identical / similar goods value methods provided in Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to the valuation issue in the instant case which provided some reference value of the subject goods but the same could not be relied upon due to vide variation. In the sequential order this office then resorted to conduct a market inquiry in terms of Sub-Section (7) of Section 25 of the Customs Act, 1969. The values obtained from market enquiries were worked back to arrive at C&F values. These values were also discussed with the stakeholders who attended the meetings and they also agreed with the findings of this Directorate.

5. **Customs values for Latex, Vinyl & Nitrile Examination & Surgical Gloves**: Customs values of Latex, Vinyl & Nitrile Examination & Surgical Gloves hereinafter specified, shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below :

S.No	Description of goods	PCT Heading	Proposed PCT for WeBoc	Origin	Customs Value (C&F) US$ / Kg
(1)	(2)	(3)	(4)	(5)	(6)
01	**Latex Surgical Gloves (Sterilized)**	4015.1100	4015.1100.1000	Malaysia/Indonesia/ Sri Lanka/Vietnam/ Thailand/China	3.95
02	**Latex Examination Gloves (Non Sterilized)**	4015.1900	4015.1900.1000		2.78
03	**Vinyl Examination Gloves (Non Sterilized)**	4015.1900	4015.1900.2000		2.40
04	**Nitrile Examination Gloves.**	4015.1900	4015.1900.3000		4.50
05	**Note: Import from any other origins, if not from the regions specified above, is to be enhanced 10% in respective categories.**				

6. 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 air freight while applying the Customs values determined in this Ruling.

7. **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.

8. **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

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days from the date of issue of this ruling, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

9. 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 the ruling are for the description and specification as mentioned in the table above 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.

10. *This Valuation Ruling supersedes Valuation Ruling No.766/2015 dated 12.10.2015.*

(Dr. Wasif Ali Memon)
Director

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, Islamabad.
8. Director General, Audit (Customs & Petroleum), Ist floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
9. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit, (Customs), Islamabad.
11. Director, Intelegence & Investigation, Karachi/Lahore/Islamabad/Quetta/Peshawar/ Faisalabd.
12. Director, Customs Valuation (Camp Office), Custom House, Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading this Ruling in WeBOC and deleting the Valuation Ruling No. *766/2015 dated 12.10.2015.*
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chamber 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.