

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

File No. DG (V)/Val.Rev/983/2016

Dated: 02 January 2017

**Order in Revision No. 283/2016 under section 25-D of the Customs Act, 1969  
against Valuation Ruling No.999/2016 dated 22-12-2016**

- i. *This copy is granted free of charge for the private use of the person to whom it is issued.*
- ii. *An appeal against this Order-in-Revision lies to the Appellate Tribunal, Customs having jurisdiction, under section 194-A of the Customs Act, 1969, within stipulated period as prescribed under the law. An appeal should bear a court fee stamp of Rs.1000/- (Rupees one thousand) only as prescribed under schedule-II item 22 of the Court Fee Act, 1870 and must be accompanied by a copy of this Order.*
- iii. *An extra copy of appeal, if filed, should simultaneously be sent to this office for information and record.*
- iv. *If an appeal is filed, the appellant should state whether he desires to be heard in person or through an advocate.*

M/s Pakistan Soap Manufacturers Association & Others

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PETITIONERS

VERSUS

Director, Customs Valuation, Karachi

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RESPONDENT

Date(s) of hearing

28-12-2016

For the Petitioners

Mr. Pervaiz Tufail M/s Tufail Chemicals  
Mr. Mubashir Ahmed M/s Tufaul Chemical  
Mr. Asghar Shuaib C/o Tufail Chemical  
Mr. Muhammad Ali Zia M/s Pak Soap Ass.  
Mr. S. Aijaz Ahmed M/s Pak Soap Ass.  
Mr. A. Abdullah Zaki C/o PSMA  
Mr. Haroon Agar M/s Agar Int.  
Mr. Nasiruddin Fateh C/O PCDMA  
Mr. Suhail Ashraf Vohra C/O PCDMA  
Mr. Muhammad Asif C/O A.A Enterprises  
Mr. Adamjee Makda C/O Makda Enterprises  
Mr. M. Saleem Mukati M/s Mukati Ent.  
Mr. M.Aqeel Yakoob M/s Yakoob Dyes  
Mr. Rafiq

For the Respondent

Mr. Abdul Majeed Asstt. Director  
Mr. Safdar Abbas, Principal Appraiser



This revision petition was filed under section 25-D of the Customs Act, 1969 against customs value determined vide Valuation Ruling No.999/2016 dated 22-12-2016 issued under section 25-A of the Customs Act, 1969, inter alia, on the following grounds.

2. That Sulphonic acid is a major raw material for soap & detergent industry, its price revolves from USD 950 PMT to USD 1050 PMT origin wise in the international market, while custom authority has been assessing the same at USD 1250 PMT (which is sort of a benchmark they have set) instead of the actual invoice value, which is totally unjustified.

3. In this connection an important meeting was arranged by Director Custom Valuation on December 16, 2016 to determine valuation of Sulphonic Acid HS Code 3402.1110, in which all stakeholders participated related to this raw material such as the members of PCDMA, Commercial importers, manufacturers of Sulphonic Acid and representatives of our Association. After a lengthy discussion among stakeholders and customs when no result found, Director Valuation suggested all stakeholders to arrange another mutual meeting in order to come on agreeable price and submit to Customs on 19-12-2016, he said that Customs will issue valuation ruling as per agreed price, so all stakeholders held another meeting on December 17, 2016 and unanimously agreed upon that assessed values of Sulphonic Acid imported from all origins should be US\$ 1160 PMT and submitted in writing the amicably agreed price to Customs on 19-12-2016.

4. It is necessary to mention here that all stakeholders authorized Mr. Haroon Agar, the former Chairman of PCDMA and former President KCC&I to tackle the recommended price with customs, while the import evidences of our members were from USD 950 PMT to USD 1050 PMT but in order to close the chapter we agreed on US\$ 1160 PMT.

5. It is a matter of sad that Director Custom Valuation did not agree on price of all trade bodies and issued Valuation Ruling # 999/2016 dated 22-12-2016 at US\$ 1250 PMT.

6. It is therefore, requested to please instruct Director Custom Valuation to withdraw the Valuation Ruling # 999/2016 dated 22-12-2016 and all consignments of Sulphonic Acid should be assessed at declared value. We hope that you will understand the recent problem of our members and redress their grievance.

#### ORDER

7. Hearing in the case was fixed on 28.12.2016. Representative of Pakistan Chemical and Dyes Merchant Association, Pakistan Soap Manufacturer's Association, importers and local manufacturer (Zubair Tufail Chemicals) of linear Alkyl Benzene Sulphonic Acid attended the meeting. All their stakeholders consented that the customs value of linear alkyl benzene sulphonic acid of all origin may be determined @ US\$ 1160/MT. They also stated that value of Iranian origin (land route) may be fixed @ US\$ 1150/MT.

8. The stakeholders stated that the local manufacturer M/s Tufail Chemical Industries (50,000 MT) and M/s Colgate Industries (20,000 MT) are producing 80% to 85% of Pakistan requirements of subject item. M/s Tufail Chemical Industries Ltd. are the largest supplier in the local market and M/s Colgate Industries are meeting their own requirements. M/s Zubair Tufail Chemicals also agreed to fix the value of linear alkyl benzene sulphonic acid @ US\$ 1160/MT and US\$ 1150/MT for Iran.





9. I have gone through the record of the case and submission by all the stakeholder i.e. commercial importer and local manufacturer of this item. The arguments of the importers and local manufacturer have been considered. The value of the item was checked from ICIS (Scan). The international data confirmed that the prevailing value of Alkyl benzene Sulphonic acid is US\$ 1160/MT. The customs value of linear alkyl benzene sulphonic acid (all origin) is therefore determined at US\$ 1160/MT whereas for land route of Iranian origin goods is fixed at US\$ 1150/MT accordingly.

10. Being identical on facts and law point, this order shall apply mutatis mutandis to the following (08) petitions.

S#	Petitioner' Name	File No.
1	M/s Pakistan Chemical & Dyes Merchants Association	DG(V)Val.Rev/983/2016
2	M/s Tacit Traders	DG(V)Val.Rev/983/2016
3	M/s Yakoob Dyes Traders	DG(V)Val.Rev/983/2016
4	M/s Ahmed Tariq Company	DG(V)Val.Rev/983/2016
5	M/s National Chemical	DG(V)Val.Rev/983/2016
6	M/s Agar International (Pvt.) Ltd.	DG(V)Val.Rev/983/2016
7	M/s Gani & Tayub Pvt. Ltd	DG(V)Val.Rev/983/2016
8	M/s A.A. Enterprises	DG(V)Val.Rev/983/2016

  
(Syed Tanvir Ahmad)  
Director General

Registered copy to:

M/s Pakistan Soap Manufacturers Association,  
Sunny Plaza, Room No.148, 1<sup>st</sup> floor,  
Hasrat Mohani Road, Off. I.I.Chundrigar Road, Karachi

M/s Pakistan Chemical & Dyes Merchants Association,  
Chemical & Dyes House,  
Jodia Bazar, Karachi

M/s Yakoob Dyes Traders  
M.R. 6/47, Muhammad Feroz Street,  
Jodia Bazar, Karachi.

M/s TACIT Traders,  
M.R 6/47, Kapadia Mansion, Muhammad Feroz Street,  
Jodia Bazar, Karachi

M/s Ahmed Tariq & Co.  
M.R. 6/4, Shop No: 1 Noor Mansion,  
Virjee Street, Jodia Bazar, Karachi.

M/s Agar International Pvt. Ltd.  
House of Agar, MR 3/1, G-1, Boulton Market Road, Karachi

M/s Gani & Tayub Pvt. Ltd.  
MR - 7/52-53, 574/1, Adamjee Dawood Road,  
Jodia Bazar

M/s A.A. Enterprises  
MR 5/104, Shop # 03, Virjee Street ,  
Jodia Bazar, (Near Soneri Bank), Karachi.

M/s National Chemical  
Suite # 1, Chemical Chamber, Adamjee Dawood Road,  
Jodia Bazar, Karachi.

Copy to:

1. Member (Customs), FBR, Islamabad.
2. Chief Collectors Customs Appraisement (South)/Enforcement, Karachi/  
(North) Islamabad/(Central) Lahore.
3. Collector, MCC Appraisement (East)/ Appraisement (West)/Port M. Bin Qasim/  
Preventive, Karachi.
4. Collector, MCC, Appraisement/Preventive, Lahore/Quetta/Peshawar/Faisalabad/  
Sambrial/Multan/Hyderabad/Islamabad/Gilgit-Baltistan/Gawadar.
5. Director, Customs Valuation, Karachi/Lahore.
6. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi for uploading  
in One-Customs and WeBOC database.
7. Asstt. Director (Review), Karachi.
8. All Deputy/Assistant Directors (Valuation)
9. Guard File.