



**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 / Export (Karachi/Port Qasim)/Preventive, Karachi / Lahore ( Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan, Exports(Karachi/Port Qasim), Directorate General of Transit Trade, Karachi.

**DETERMINATION OF CUSTOMS VALUE OF LUBRICATING OIL**  
**UNDER SECTION 25-A OF CUSTOMS ACT, 1969**

(VALUATION RULING NO. 1140 / 2017)

No. Misc/03/2009-I/ 1139

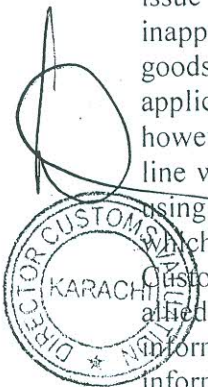
Dated: 21<sup>st</sup> April, 2017

In exercise of the powers conferred under Section 25-A of Customs Act, 1969, Customs values of Lubricating Oil are determined as follows:-

**2. Background of the Valuation Issue:** The Customs values of different types of Lubricating Oil were determined and notified vide Valuation Ruling No.657/2014, dated 28<sup>th</sup> March 2014. Customs values mentioned in the said Valuation Ruling were more than three years old, moreover, several importers had requested for re-determination of customs value of subject goods, therefore, an exercise was initiated to determine afresh the Customs Values of various types /categories of Lubricating oils keeping in view the prevailing price trends of international market. Furthermore, Collector, MCC Quetta vide letter C.No.270-Cus/Valuation/DP/NLC/98-2014/18620 dated 17-01-2017 has requested for clarity with regards to valuation of Iranian origin Motor Oil imported via land route from Iran through MCC Quetta.

**3. Stakeholders' Participation in Determination of Customs Values:** A Meeting for determination of customs values of Lubricating Oil was held on 06-04-2017 which was duly attended by stakeholders, and representatives of importers of subject goods. No representation was made on behalf of MCC Quetta despite being invited for the aforementioned meeting and on 18-04-2017, for consideration of their valuable input. The current international prices of the subject goods were discussed with the stakeholders present and they requested that the said Valuation Ruling may be reviewed in the light of prevailing international market prices. All aspects of value were discussed and in light of the prevalent trends in petroleum products it was decided unanimously that the values should be revised upwards rationally. The views of those present were solicited regarding import of Iranian motor oil and it was opined by most of the stakeholders that the Iranian motor oil is generally of lower quality compared to other origins on account of higher sulphur content.

**4. Method Adapted to Determine Customs Values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly followed and applied sequentially to address the valuation issue at hand. Transaction value method provided in Sub-Section (1) of Section 25 was found inapplicable because the requisite information was not available as per law. Identical / similar goods value method provided in Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to determine Customs value of subject goods. This data provided some references; however, it was found that the same cannot be solely relied upon due to variation in the same. In line with the statutory sequential order of Section 25, this office then conducted a market inquiry using Deductive Value Method under Sub-Section (7) of the Section 25 of the Customs Act, 1969, which provided most of the reference values. Valuation method provided vide Section 25 (8) of Customs Act 1969, could not be applied as the conversion cost from constituent materials and allied expenses, at country of export were are not available. Finally, clearance data, market information and international prices through the internet were examined thoroughly. All the information so gathered was analyzed for determination of Customs Value of the subject goods.





Consequently, section 25(9) of the Customs Act, 1969 was applied to arrive at assessable customs values of Lubricating Oil.

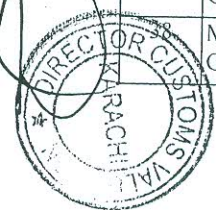
5. Customs values for Lubricating Oil – Lubricating Oil *hereinafter specified* shall be assessed to duty/ taxes at the following customs values: -

S NO.	DESCRIPTION OF GOODS	PACKING	ORIGIN	HS CODE	Proposed PCT FOR WeBOC	Customs Values (C&F) Value US\$ Per Liter	Customs Values (C&F) US\$ Per KG
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Gasoline Engine Oil API Grade: SN	1L-10L	China, Turkey, Korea & Middle East	2710.1951	2710.1951.1000	1.66	1.83
2	Gasoline Engine Oil API Grade: SN	20L-210L	China, Turkey, Korea & Middle East	2710.1952	2710.1952.1000	1.51	1.68
3	Gasoline Engine Oil API Grade: SM	1L-10L	China, Turkey, Korea & Middle East	2710.1951	2710.1951.1100	1.49	1.64
4	Gasoline Engine Oil API Grade: SM	20L-210L	China, Turkey, Korea & Middle East	2710.1952	2710.1952.1100	1.34	1.49
5	Gasoline Engine Oil API Grade: SL	1L-10L	China, Turkey, Korea & Middle East	2710.1951	2710.1951.1200	1.45	1.60
6	Gasoline Engine Oil API Grade: SL	20L-210L	China, Turkey, Korea & Middle East	2710.1952	2710.1952.1200	1.30	1.44
7	Gasoline Engine Oil API Grade: SJ	1L-10L	China, Turkey, Korea & Middle East	2710.1951	2710.1951.1300	1.21	1.33
8	Gasoline Engine Oil API Grade: SJ	20L-210L	China, Turkey, Korea & Middle East	2710.1952	2710.1952.1300	1.08	1.21
9	Gasoline Engine Oil API Grade: SF, SG	1L-10L	China, Turkey, Korea & Middle East	2710.1951	2710.1951.1400	1.13	1.26
10	Gasoline Engine Oil API Grade: SF, SG	20L-210L	China, Turkey, Korea & Middle East	2710.1952	2710.1952.1400	1.02	1.12
11	Diesel Engine Oil API Grade: CI-4, CI	1L-10L	China, Turkey, Korea & Middle East	2710.1951	2710.1951.1500	1.40	1.54
12	Diesel Engine Oil API Grade: CI-4, CI	20L-210L	China, Turkey, Korea & Middle East	2710.1952	2710.1952.1500	1.24	1.37
13	Diesel Engine Oil API Grade: CH-4, CH	1L-10L	China, Turkey, Korea & Middle East	2710.1951	2710.1951.1600	1.26	1.40
14	Diesel Engine Oil API Grade: CH-4, CH	20L-210L	China, Turkey, Korea & Middle East	2710.1952	2710.1952.1600	1.11	1.24
15	Diesel Engine Oil API Grade: CF-4, CF	1L-10L	China, Turkey, Korea & Middle East	2710.1951	2710.1951.1700	1.06	1.17
16	Diesel Engine Oil API Grade: CF-4, CF	20L-210L	China, Turkey, Korea & Middle East	2710.1952	2710.1952.1700	0.95	1.05
	Diesel Engine Oil SAE Grade: CD, CC, SC	1L-10L	China, Turkey, Korea & Middle East	2710.1951	2710.1951.1800	1.02	1.12





18	Diesel Engine Oil SAE Grade: CD, CC, SC	20L-210L	China, Turkey, Korea & Middle East	2710.1952	2710.1952.1800	0.90	1.00
19	Motorcycle Engine Oil API Grade: SL,SJ,SG	1L-10L	China, Turkey, Korea & Middle East	2710.1951	2710.1951.1900	1.08	1.20
20	Motorcycle Engine Oil API Grade: SL,SJ,SG	20L-210L	China, Turkey, Korea & Middle East	2710.1952	2710.1952.1900	0.96	1.07
21	Motorcycle Engine Oil API Grade: SF,SE,SD	1L-10L	China, Turkey, Korea & Middle East	2710.1951	2710.1951.2000	1.06	1.17
22	Motorcycle Engine Oil API Grade: SF,SE,SD	20L-210L	China, Turkey, Korea & Middle East	2710.1952	2710.1952.2000	0.96	1.07
23	Gear Oil # 90,140, 75W-80, 80W-90, 85W-140 (GL-5)	1L-10L	China, Turkey, Korea & Middle East	2710.1951	2710.1951.2100	1.30	1.44
24	Gear Oil # 90,140, 75W-80, 80W-90, 85W-140 (GL-5)	20L-210L	China, Turkey, Korea & Middle East	2710.1952	2710.1952.2100	1.14	1.27
25	Gear Oil # 90,140 (GL-4)	1L-10L	China, Turkey, Korea & Middle East	2710.1951	2710.1951.2200	1.14	1.27
26	Gear Oil # 90,140 (GL-4)	20L-210L	China, Turkey, Korea & Middle East	2710.1952	2710.1952.2200	1.06	1.17
27	Gas Engine Oil API Grade CF	Drum	China, Turkey, Korea & Middle East	2710.1951	2710.1952.2300	1.06	1.17
28	Marine Engine Oil API Grade CF	20L-210L	China, Turkey, Korea & Middle East	2710.1952	2710.1952.2400	1.09	1.20
29	ATF(Automatic Transmission Fluid) Dexron II, III, IV	1L-4L	China, Turkey, Korea & Middle East	2710.1999	2710.1999.1000	1.21	1.33
30	ATF(Automatic Transmission Fluid) Dexron II, III, IV	DRUM	China, Turkey, Korea & Middle East	2710.1999	2710.1999.1100	1.13	1.25
31	Hydraulic Oil/ Spindle Oil # 10, 15,32,46,68,100, 150	4L-10L	China, Turkey, Korea & Middle East	2710.1999	2710.1999.1200	0.94	1.05
32	Hydraulic Oil/ Spindle Oil # 10, 15,32,46,68,100	20L-210L	China, Turkey, Korea & Middle East	2710.1999	2710.1999.1300	0.94	1.05
33	Gear Lubes EP 68, 100,150, 220, 320, 460, 680	20L-210L	China, Turkey, Korea & Middle East	2710.1999	2710.1999.1400	1.00	1.10
34	Compressor Oil # 32, 46, 68, 100	Drum	China, Turkey, Korea & Middle East	2710.1999	2710.1999.1500	1.00	1.10
35	Turbine Oil # 32, 46,68	20L-210L	China, Turkey, Korea & Middle East	2710.1999	2710.1999.1600	0.94	1.05
36	Heat Transfer Oil # 22, 32, 46, 68	20L-210L	China, Turkey, Korea & Middle East	2710.1999	2710.1999.1700	0.99	1.09
37	Motor Oil Grade: CD, CC, SC	1L-10L	Iran	2710.1951	2710.5100.2300	0.71	0.78
	Motor Oil Grade: CD, CC, SC	20L-210L	Iran	2710.1952	2710.5200.2500	0.63	0.70





6. The values determined are for imports via sea route only. Discount on the basis of quality for Iranian origin Motor Oil has already been accounted for in the values mentioned in the table above. In case of import of Iran origin Motor Oil via land route through MCC Quetta, the Collectorate may like to take into account the actual land-route freight if warranted. 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 the 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 (4) 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 days from the date of issue of this ruling, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

9. 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.

10. *This ruling supersedes Valuation Ruling No.657/2014, dated 28-03-2014.*

  
(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 (Appraisal), 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), 1<sup>st</sup> 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.657/2014, dated 28-03-2014 from the system on the date of issue of this ruling.