



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectōrates of Appraisement East/West/ Port Qasim/Preventive (Karachi)/Appraisement (Lahore)/ Preventive (Lahore)/ Sambrial (Sialkot)/ Faisalabad/Multan / Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar and Gilgit-Baltistan.

Determination of Customs Values of Chemicals, Iso-Propyl Alcohol, N-Propanol, Cyclohexanone, Ethoxylated Nonyl Phenol, Iso-Butanol, N-Butanol and Phenol under Section 25-A of the Customs Act, 1969.

(VALUATION RULING NO. 1219 / 2017)

No. Misc/29/2012-II

Dated: November 07, 2017

In exercise of powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Chemicals like Iso-Propyl Alcohol, N-Propanol, Cyclohexanone, Ethoxylated Nonyl Phenol, Iso-Butanol, N-Butanol and Phenol are determined as follows:

2. Background of the valuation issue: Earlier the customs values of the subject chemicals were determined vide Valuation Ruling No 1156/2017 dated 09.05.2017. There were several representations from commercial importers as well as from Pakistan Chemicals and Dyes Merchants Association (PCDMA) wherein they claimed that value of the subject chemicals needs to be realigned with international values. They requested to determine the applicable customs values afresh in accordance with the trend of values in the international markets. Keeping in view the prevailing prices of the subject goods, this Directorate General initiated an exercise for determination of the Customs Values of the subject Chemicals in terms of Section 25-A of the Customs Act, 1969.

3. Stakeholders participation in determination of Customs values: Meetings with stakeholders including importers, representatives from Pakistan Chemicals and Dyes Merchants Association (PCDMA) and representatives from field formations were held on 16.10.2017 and 26.10.2017, to discuss the current international prices of the subject chemicals. All the stakeholders requested that the said valuation ruling may be reviewed in the light of prevailing international market prices. The view point of all participants was heard in detail and considered to arrive at Customs values of the subject chemicals. The PCDMA contended that their proposition of values for different types of chemicals accurately reflects international values and they take full responsibility for any variation. As and when there are significant variations, they would themselves approach customs authorities for redetermination of customs values. Market surveys as enumerated below, gave results very akin to the propositions of the PCDMA.

4. Method adopted to determine Customs values: Valuation methods provided in Section 25 of the Customs Act, 1969 were duly applied in their regular sequential order to arrive at customs values of subject goods. The transaction value method provided in Sub-Section (1) of Section 25, was found inapplicable because there was wide differences in the declarations. Identical / similar goods value method 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 values of the subject goods, but the same could not be exclusively relied on due to the absence of absolute demonstrable evidence of qualities, and quantities of commercial level etc., and also it was observed that some importers provided misleading description while declaring goods, as other grades and percentage of purity of similar goods to avoid the application of valuation ruling. Information available was, hence, found inappropriate. In line with the statutory sequential order of Section 25, this office then conducted market inquiries using Deductive Value Method under Sub-Section (7) of the Section 25 of the Customs Act, 1969 and determined customs values of Iso-Propyl Alcohol, N-Propanol, Cyclohexanone, Ethoxylated Nonyl Phenol, Iso-Butanol, N-Butanol and Phenol.

5. Customs values for Iso-propyl Alcohol, N-Propanol, Cyclohexanone, Ethoxylated Nonyl Phenol, Iso-Butanol, N-Butanol and Phenol; The chemicals *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) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	Iso-propyl Alcohol 99% & above	2905.1220	2905.1220.1000	All origins	1.20
2	Iso-propyl Alcohol less than 99%	2905.1220	2905.1220.1000	All origins	1.10
3	N-Propanol (All Grades)	2905.1210	2905.1210.1000	All origins	1.20
4	Iso-Butanol (All Grades)	2905.1400	2905.1400.1000	All origins	1.00
5	N-Butanol (All Grades)	2905.1300	2905.1300.1000	All origins	1.20
6	Cyclohexanone (All Grades)	2914.2200	2914.2200.1000	All origins	1.60
7	Ethoxylated Nonyl Phenol NP-9 (All brands including Pannox & Sinopol)	3402.1300	3402.1300.1000	All Origins except Russia	1.65
8	Ethoxylated Nonyl Phenol NP-9 (All brands including Pannox&sinopol)	3402.1300	3402.1300.1100	Russia	1.55
9	Ethoxylated Nonyl Phenol NP-10 (All brands including Pannox& Sinopol)	3402.1300	3402.1300.1200	All Origins except Russia	1.65
10	Ethoxylated Nonyl Phenol NP-10 (All Brands including Pannox & Sinopol)	3402.1300	3402.1300.1300	Russia	1.55

11	Phenol (All Grades)	2907.1100	2907.1100.1000	All Origins	1.30
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Note: - The Customs Values determined above are for imports in drum packing. In case the goods are imported in ISO tanks then US\$100/ M.Ton and for bulk imports US\$200/ M. Ton may be deducted for assessment purpose from above mentioned Customs Values.


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 and the same may be communicated to this Directorate General forthwith. 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.

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:** This Valuation Ruling is appealable under the law and a revision petition may be filed against this Ruling, 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.

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. The Custom values determined in the Valuation Ruling are for the descriptions and specifications as mentioned herein, HS Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to the assessing officers. The assessment shall be finalized in the correct classifications after fulfilling requisite formalities relating to importability or other certifications 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 of the Customs Act, 1969 or any other law in vogue therein.

10. ***This Ruling supersedes Valuation Ruling No.1156/2017 dated 09.05.2017.***


(Muhammad Iqbal Muneeb)
Director

2/11/17

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.