



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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, Exports(Karachi/Port Qasim).

**Determination of Customs Values of Porcelain Ware / Glass Ware**  
**Under Section 25-A of the Customs Act, 1969**

(VALUATION RULING NO. 1241 / 2018)

No.Misc/07/2008-V

Dated: January 04, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Porcelain Ware / Glass Ware are determined as follows:-

2. **Background of the valuation issue:** The Customs values of Porcelain Ware / Glass Ware were determined under section 25A of the Customs Act, 1969 vide Valuation Ruling No. 1088/2017 dated 17-03-2017. The said valuation ruling was set aside by Customs Appellate Tribunal vide order dated 24-08-2017 in various appeals. The department has filed reference before the Honorable High Court of Sindh against the order of the Honourable Customs Appellate Tribunal. A number of representations were received to determine the customs value of Porcelain Ware / Glass Ware afresh keeping in the international market trends. An exercise was initiated with a view to determine the customs values of the subject goods afresh under Section 25A of the Customs Act, 1969 in terms of prevailing international prices.

3. **Stakeholders' participation in determination of Customs values:** Meetings were held on 28-09-2017 and 31.10.2017 with the stakeholders. During the meetings, the importers were of the opinion that values as determined in the earlier valuation ruling were very high and did not commensurate with trading prices. They further contended that prices of Porcelain Ware / Glass Ware have been reduced in international market due to advancement in technology and cost cutting done by Chinese manufacturers in raw material etc. The manufacturers of glass wares contented that the customs values determined vide Valuation Ruling No.1088/2017 dated 17-03-2017 were too low and the values must be enhanced substantially.

All the stakeholders were requested to submit the following documents so that correct customs values could be determined:-

- 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 values of supplies (excluding duty and taxes) to substantiate their contentions.

4. Some importers of Porcelain Ware / Glass Ware submitted import documents like commercial invoices, Sales tax invoices; however, the remaining requisite documents were not submitted by them. As all the requisite documents have not been submitted by the importers, therefore, reliance cannot be made upon the aforementioned documents for determination of customs values of the subject goods. It is pertinent to mention here that






the manufacturers of glass wares did not submit any documents to substantiate their point of view.

5. **Methods adopted to determine Customs values:** Valuation methods given 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 Section 25 (1) of the Customs Act, 1969 was found inapplicable because the requisite information under the law was not available to arrive at correct transaction value. Identical / similar goods value methods provided in Section 25(5) & (6) of the Customs Act, 1969 were also examined and considered for applicability to determine Customs value of the subject goods. Due to wide variation in values, the valuation methods as contained in section 25(5) and (6) are not helpful in determining customs values. In line with the statutory sequential order of section 25 of the Customs Act, 1969, this office resorted to market enquiries using Deductive Value Method under Section 25(7) of the Customs Act, 1969. However, it was found that the market values vary to the great extent and could not be made the sole basis for the determination of Customs values. Further, PRAL database, market information and international prices were examined thoroughly. Keeping all the factors in view and carefully analyzing all the available information for determination of Customs Value of the subject good, the customs values of Porcelain Ware / Glass Ware have been determined under Section 25(9) of the Customs Act, 1969.

6. **Customs Values of Porcelain Ware / Glass Ware *hereinafter specified***, shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below:



S.No	Description	PCT Heading	Proposed PCT for WeBOC	Origin	Customs Values US\$/kg
(1)	(2)	(3)	(4)	(6)	(7)
1	Tableware, Kitchenware, other Household articles, of porcelain or China (Non- Gold plated)	6911.1010 6911.1020 6911.1030 6911.1040 6911.1090 6911.9000	6911.1010.1000 6911.1020.1000 6911.1030.1000 6911.1040.1000 6911.1090.1000 6911.9000.1000	China	0.94
				Indonesia	0.90
				Iran	0.90
				UAE	1.00
				Malaysia	1.40
				Thailand	1.40
				Korea	1.40
				Europe/USA/Canada	1.85
				Others	1.65
2	Tableware, Kitchenware and other Household articles of Porcelain and China (Gold-plated)	6911.1010 6911.1020 6911.1030 6911.1040 6911.1090 6911.9000	6911.1010.1100 6911.1020.1100 6911.1030.1100 6911.1040.1100 6911.1090.1100 6911.9000.1100	China	1.25
				Indonesia	1.18
				Iran	1.15
				UAE	1.30
				Malaysia	1.65
				Thailand	1.65
				Korea /	1.65
				Europe/USA/Canada	2.45
				Others	1.90
3	Glassware of a kind used for Table, Kitchen, indoor decoration or similar purposes. (Clear /Opal)*	7013.1000 7013.2800 7013.9900	7013.1000.1000 7013.2800.1000 7013.9900.1000	China	1.14
				Indonesia	0.95
				Iran	0.95
				UAE	1.20
				Malaysia	1.45
				Thailand	1.45
				Egypt	1.30
				Korea	1.45
				Brazil	1.30
				Turkey	1.20
				Saudi Arabia	1.15
				Europe/USA/Canada	1.95
				Others	1.85

4	Glassware of a kind used for Table, Kitchen, indoor decoration or Similar purposes Gold plated	7013.1000 7013.2800 7013.9900	7013.1000.1100 7013.2800.1100 7013.9900.1100	China	1.35
				Indonesia	1.15
				Iran	1.20
				UAE	1.40
				Malaysia	1.50
				Thailand	1.50
				Egypt	1.50
				Korea	1.50
				Brazil	1.50
				Turkey	1.45
				Saudi Arabia	1.32
				Europe/USA/Canada	2.65
				Others	2.35
5	Note: 1 This Valuation Ruling does not apply to Wedgewood, Waterford, Royal Albert, Royal Doulton, Royal Crown, Derby, Corelle, Royal Copenhagen, Limoges, Noritake, and other equivalent brands,				
6	Note: 2 *This Valuation Ruling does not apply to crystal Ware, including Lead Crystal				

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 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.

8. **Validity of 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, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

10. 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 this Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned in this Valuation Ruling. HS Codes are mentioned for illustrative purposes 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.

11. **This ruling supersedes Valuation Ruling No. 1088/2017 dated 17-03-2017.**

  
(Muhammad Iqbal Muneeb)  
Director

Copy for information to: -

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.