



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

Determination of Customs Values of High Impact Polystyrene Sheets (HIPS)
Under Section 25-A of the Customs Act, 1969.

No. Misc/45/2018-II/518

Dated: May 14, 2018

(VALUATION RULING NO. 1303/2018)

In exercise of powers conferred under Section 25-A of the Customs Act, 1969, Customs values of High Impact Polystyrene Sheets (HIPS) are determined as follows:

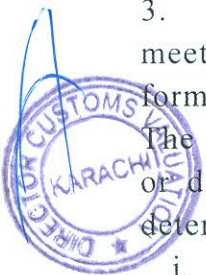
2. **Background of the Valuation Issue:** Earlier the customs values of HIP Sheets were determined vide Valuation Ruling No.327/2011 dated 28.05.2011. As the existing valuation ruling was very old and required to be revised in line with the prevailing prices in the international market, therefore, this Directorate General initiated an exercise for determination of the Customs Values of the High Impact Polystyrene Sheets (HIPS) in terms of Section 25-A of the Customs Act, 1969.

3. **Stakeholders participation in determination of Customs values:** Several meetings with stakeholders including importers and representatives from field formations were held to discuss the current international prices of the subject goods. The importers / stakeholders were requested to submit the following documents before or during the course of the stakeholders meeting so that 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 difference in price (excluding duty and taxes) to substantiate their contentions.

4. Representatives of the clearance Collectorate attended the meetings, however, importers abstained from participating in the scheduled meetings. Moreover, no document were submitted by the importers despite lapse of considerable time.

5. **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 as provided in Sub-Section (1) of Section 25 of the Customs Act, 1969 was found



inapplicable due to wide variation of values displayed in the import data. Thereafter, identical / similar goods value method as provided in Sub-Sections (5) & (6) of Section 25 *ibid* were examined for applicability to the valuation issue in the instant case. The wide variations in declarations were observed. In line with the statutory sequential order of Section 25, this office conducted market inquiries under Sub-Section (7) of Section 25 of the Customs Act, 1969. As there were certain differences in prices in different markets, therefore, a number of surveys were conducted to arrive at customs values. Resultantly, Customs values of High Impact Polystyrene Sheets (HIPS) have been determined under section 25 (7) of the Customs Act, 1969.

6. **Customs values for HIP Sheets:** The High Impact Polystyrene Sheets (HIPS) *hereinafter specified* shall be assessed to duty / taxes at the following Customs Values :

S. No	Description of goods	Origin	PCT	Proposed PCT for WEOC	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	HIP Sheets	China/ Taiwan	3920.3000	3920.3000.1000	2.40
2	HIP Sheets	All other origins	3920.3000	3920.3000.1100	2.90

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 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 the differential between air freight and sea freight while applying the Customs values in this Ruling.


8. **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.

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 of this ruling, before the Director General, Directorate General of Customs Valuation, 7th 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 descriptions and specifications 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 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 15 of the Customs Act, 1969 or any other law in vogue therein.

11. ***This Ruling supersedes Valuation Ruling No.327/2011 dated 28-05-2011.***


(Muhammad Iqbal Muneeb)
Director
19/9/18

Copy for information to:

1. The Member (Customs), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Director General, Intelligence and Investigation-FBR, Islamabad.
8. The Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. The Director General, Post Clearance Audit (PCA), Islamabad.
10. The Director General, Internal Audit (Customs), Karachi.
11. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Multan.
12. The 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. 327/2011 dated 28-05-2011.
14. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Revision 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, Appraisalment, 1st Floor, Custom House, Karachi.
21. Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading on FBR Website.
22. Guard File.