

The Collectors of Customs, Model Customs Collectorates, Appraisement & Facilitation (East / West) / Port Muhammad Bin Qasim / JIAP, Karachi (Appraisement & Facilitation / Enforcement & Compliance), AIIA Lahore / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta (Appraisement / Preventive) / Peshawar (Appraisement & Facilitation/ Enforcement & Compliance) / Gawadar / Gilgit-Baltistan / Export (Karachi / Port Qasim)

**DETERMINATION OF CUSTOMS VALUES OF SODA ASH PCT (2836.2000)**  
**UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969**

**(VALUATION RULING NO. 1477/ 2020)**

No. Reg. Misc/06/2009-II

15915

Dated: 08-10-2020

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

2. **Background of the Valuation Issue:** Earlier the customs values of Soda Ash were determined vide Valuation Ruling No. 996/2016 dated 20.12.2016, which was challenged under section 25-D of the Customs Act, 1969 by the stakeholders with the contention that there was no need of valuation ruling on subject item because their declared values were fair and genuine. The Director General Customs Valuation remanded back the valuation ruling with the direction to revise the same, after conducting comprehensive exercise under section 25-A ibid in the accordance with law and after hearing all the stakeholders including appellant. Therefore, this Directorate General initiated an exercise for determination of the Customs Values of the Soda Ash in terms of Section 25-A of the Customs Act, 1969.

3. **Stakeholders participation in determination of Customs values:** Several meetings were held with stakeholders. Final meeting was scheduled and held on 05-08-2020 which was attended by different stakeholders. The participants were requested to submit following documents before or during the course of meeting so that customs values could be determined: -

- i. Invoices of imports during last three months showing customs 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 the last four months showing the difference in price (excluding duty and taxes) to substantiate their contentions.



During the meeting the stakeholders stated that Soda Ash is being imported by local manufacturers for production of different goods and its prices fluctuate in prevailing international market prices. Their declarations are higher than the existing valuation ruling whenever the values go up. In this regard, they submitted documentary evidences like copy of GDs, invoices and L/Cs. The view point of all participants was heard in detail and considered to arrive at Customs values of the subject goods.

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 value of subject goods. The transaction value method as provided in Sub-Section (1) of Section 25 of the Customs Act, 1969 was found inapplicable because wide variation of values were displayed in the import data. Therefore, identical / similar goods value method as provided in Sections 25(5) & (6) *ibid* were examined for applicability to determine customs values of subject goods. The data provided some references; however, it was found that the same could not be relied upon exclusively. 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, however, this method could not be exclusively relied upon because soda Ash is an industrial use item and not readily available in the local market. Therefore, valuation method vide Section 25(8) was examined for valuation but the same also could not be applied as conversion cost from the constituent material and allied expenses, at the country of export were not available for manufacturing of Soda Ash. Finally, clearance data, market information and international prices through internet were examined thoroughly and the information so gathered were utilized and analyzed for determination of customs values of Soda Ash under Section 25 (9) of the Customs Act, 1969.

**Customs values for Soda Ash:** The Soda Ash *hereinafter specified* shall be assessed to duty / taxes at the following minimum Customs Values :

S. No.	Description of Goods	Origin	PCT	Proposed PCT for WeBOC	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	Synthetic Soda Ash (Dense)	All	2836.2000	2836.2000.1000	0.230
2	Synthetic Soda Ash (Light)	All	2836.2000	2836.2000.1100	0.240
3	Natural Soda Ash (All types)	Others	2836.2000	2836.2000.1200	0.210
4	Natural Soda Ash (All types)	Kenya	2836.2000	2836.2000.1300	0.195
5	Natural Soda Ash (All types)	Turkey	2836.2000	2836.2000.1400	0.170

6. In cases where declared / transaction values are higher than the Customs values determined in this Ruling or higher evidential data is available of stipulated period of 90 days, the assessing



officer shall apply those values in terms of Sub-Section 25(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 determined in this Ruling.

**7. Validity of this Valuation Ruling:** The value 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. Review of the value determined vide this Valuation Ruling:** A review 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.

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 Customs 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 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.996/2016 dated 20-12-2016.

  
(Shafique Ahmed Latki)  
Director

Copy for information to:

1. The Member (Customs, Operations), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisalment & Facilitation), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement & Compliance), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Chief Collector of Customs, (Enforcement & Compliance), Custom House, Quetta.
8. The Director General, Intelligence and Investigation-FBR, Islamabad.
9. The Director General, PCA& Internal Audit, Karachi.

10. The Director General, IOCO, Karachi
11. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
12. The Director, Directorate of Customs Valuation, Lahore.
13. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
14. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. The Karachi Customs Agents Group, Bohri Road, Karachi.
17. The Webmaster, Federal Board of Revenue, Islamabad.
18. Guard File.