



**GOVERNMENT OF PAKISTAN**  
**DIRECTORATE GENERAL OF CUSTOMS VALUATION**  
**CUSTOM HOUSE, KARACHI**

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**The Collector of Customs,** Collectorate of Customs (Appraisalment - West / Appraisalment - East / Appraisalment - Port Muhammad Bin Qasim / Enforcement / JIAP), Karachi / Hyderabad / (Appraisalment / Enforcement), Quetta / Gawadar / (Appraisalment / Enforcement / AIIA), Lahore / Appraisalment, Faisalabad / Appraisalment, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisalment / Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim / Custom House Karachi) / Transit Trade, Karachi.

**Determination of Customs Values of UPVC, CPVC, HDPE/PE, PPRC Pipes and Pipe**

**Fittings Under Section 25A of the Customs Act, 1969**

**(VALUATION RULING NO 16<sup>30</sup>/2022)**

C. No. Reg. Misc/19/2014-II/377.

Dated: 16 -04-2022



In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the customs values of Pipes and Pipe Fittings are determined as follows:

2. **Background of the valuation issue:** Earlier, the customs values of Pipes and Pipe Fittings were determined vide Valuation Ruling No. 1259/2018 dated 16-02-2018. Representations for fresh determination of Customs Values were received in this Directorate General being more than four (04) years old. Furthermore, Quetta Chamber of Commerce and Sarhad Chamber of Commerce & Industry filed representations before the FBR. A meeting was held on 09-02-2022 in FBR headquarters which was chaired by the Chairman FBR and attended by Member (Customs-Policy), Director General Customs Valuation and other participants including the representatives of both the chambers. Keeping in view difference between freight from land and sea routes, quality of goods and other socio-economic factors, the Board forwarded a record note No. 8(1)SS(V&A)2022, dated 28-02-2022. In view of the foregoing, an exercise was undertaken by this Directorate General to determine afresh the Customs Values of subject goods in terms of Section 25A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Meeting was held on 03-03-2022 with the stakeholders, trade bodies including representatives of clearance Collectorates in this Directorate General. The importers/stakeholders were requested to submit their proposals/suggestions as well as following documents before or during the course of stakeholders' meeting so that Customs value could be determined:

- i. Invoices of import during last three months showing factual values.
- 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 that the benefit of difference in price is passed on to the local buyers.

4. During the meeting local manufacturer submitted that the values of pipe and pipe fittings have increased in the international market. In this regard, copies of GDs and raw materials prices published by Pakistan Plastic Manufacturers Association were brought on record. It was also requested that the customs values of HDPE/PE made pipe and pipe fittings may also be incorporated in the upcoming Valuation Ruling. Some of the importers were of the view that the values of the subject goods in the international market have shown mixed trend, due to fluctuation in the freight charges. The stakeholders' viewpoints were heard in detail to arrive at the customs values of subject goods.

5. **Methods 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 no substantial documents were provided by the stakeholders to prove that their declared values were true transactional values. Moreover, different values were declared by different importers for same product according to different origins. Identical/Similar goods value methods 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 solely relied upon due to absence of absolute demonstrable evidence of qualities and quantities of commercial level etc. In line with statutory sequential order of section 25, this office conducted numbers of market inquiries from various markets under sub-Section (7) of section 25 of the Customs Act, 1969, however, this method could not be exclusively relied upon. Therefore, valuation method vide Section 25(8) was examined for valuation keeping in view the prices of raw materials like PVC, PPRC and HDPE were taken into account, but the same could not be applied solely, as the conversion cost from the country of export were not available. Finally, clearance data, market information were examined thoroughly and the information so gathered were utilized and analyzed for determination of customs values of UPVC/ CPVC / HDPE/PE and PPRC Pipes & Pipe Fittings under Section 25 (9) of the Customs Act, 1969.

6. **Customs values for Pipes and Pipe Fittings - *hereinafter specified*** shall be assessed to duty/taxes on the minimum Customs values mentioned against them in the Table below:

Sr. No.	Description	H.S. Code	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$/Kg
1	2	3	4	5	6
1	Un-Plasticized Poly Vinyl Chloride (UPVC) Pipes.	3917.2100 3917.4000	3917.2100.1000 3917.4000.1000	All Origin	1.83





2	Un-Plasticized Poly Vinyl Chloride (UPVC) Pipe Fittings.	3917.2100 3917.4000	3917.2100.1100 3917.4000.1100	All Origin	1.90
3	Chlorinated Poly Vinyl Chloride(CPVC) pipes.	3917.2100 3917.4000	3917.2100.1200 3917.4000.1200	All Origin	2.36
4	Chlorinated Poly Vinyl Chloride(CPVC) pipe Fittings.	3917.2100 3917.4000	3917.2100.1300 3917.4000.1300	All Origin	2.45
5	Chlorinated Poly Vinyl Chloride(CPVC) pipe Fittings.(Brass/Copper Threaded)	3917.2100 3917.4000	3917.2100.1400 3917.4000.1400	All Origin	2.75
6	High Density Polyethylene / Polyethylene (HDPE/PE) Pipes.	3917.2100 3917.4000	3917.2100.1500 3917.4000.1500	All Origin	1.84
7	High Density Polyethylene / Polyethylene (HDPE/PE) Pipes Fittings.	3917.2100 3917.4000	3917.2100.1600 3917.4000.1600	All Origin	1.96
8	Poly Propylene Random Copolymer (PPRC) Pipes.	3917.2100 3917.4000	3917.2100.1700 3917.4000.1700	All Origin	2.15
9	Poly Propylene Random Copolymer (PPRC) Pipe Fittings.	3917.2100 3917.4000	3917.2100.1800 3917.4000.1800	All Origin	3.42
10	Poly Propylene Random Copolymer (PPRC) Pipe Fittings. ( Brass/Copper Threaded)	3917.2100 3917.4000	3917.2100.1900 3917.4000.1900	All Origin	3.91
Note: Reduction of 8% shall be admissible on total of above value on account of freight charges, if goods are imported through land route.					



7. In cases where declared values are higher than the customs value 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 consignment imported by air, the assessing officer shall take into account the difference between air freight and sea 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 values 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 25A of the Customs Act, 1969 read with Rule 107(a) of the Customs Rules, 2001.

9. **Revision of the Value Determined vide this Valuation Ruling:** A revision petition may be filed against this Ruling, as provided under Section 25D 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 Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned in the above table of this Ruling. PCT Codes are mentioned for illustrative purpose 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.

11. ***This Ruling supersedes Valuation Ruling No. 1259/2018 dated 16-02-2018.***

  
(Syed Fawad Ali Shah)  
Director

**Copy for information to: -**

- 1) The Member Customs (Policy/Operations), F.B.R., Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) The Chief Collector of Customs, Appraisement (South) Custom House, Karachi.
- 4) The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
- 5) The Chief Collector of Customs, Appraisement (Central), Custom House, Lahore.
- 6) The Chief Collector of Customs, Enforcement (Central), Custom House, Lahore.
- 7) The Chief Collector of Customs (North), Custom House, Islamabad.
- 8) The Chief Collector of Customs Balochistan, Custom House, Quetta.
- 9) The Chief Collector of Customs Khyber Pakhtunkhwa, Custom House, Peshawar.
- 10) The Director General, Intelligence and Investigation-FBR, Islamabad.
- 11) The Director General, PCA& Internal Audit, Karachi.
- 12) The Director General, IOCO, Karachi
- 13) The Director General, Transit Trade, Custom House Karachi
- 14) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 15) The Director, Transit Trade, Custom House Karachi
- 16) The Director, Directorate of Customs Valuation, Lahore/Peshawar/Quetta.
- 17) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs &WEBOC database system.
- 18) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 19) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 20) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 21) The Webmaster, Federal Board of Revenue, Islamabad.
- 22) Guard File.