



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

**DETERMINATION OF CUSTOMS VALUE OF COKE (PCT CODE 2704.0010) UNDER
SECTION 25A OF THE CUSTOMS ACT, 1969**

(VALUATION RULING NO. 1646/2022)

No. Misc/03/2012-1/447

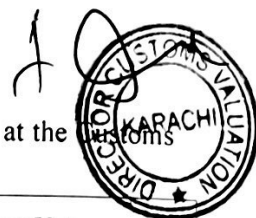
Dated: 11-05-2022



In exercise of the powers conferred under Section 25A of the Customs Act, 1969, Customs value of Coke is determined as follows:

2. **Background of the valuation issue:** Earlier, the Customs value of Coke was determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No. 753/2015 dated 06-07-2015. The said Valuation Ruling was approximately seven years old. Quetta Chamber of Commerce and Industry (QCCI) and Sarhad Chamber of Commerce and Industry filed representations before the 5013FBR. 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 (VAL & AUDIT) 2022, dated 28-02-2022. Accordingly, an exercise was undertaken by the Directorate General of Customs Valuation to determine afresh the Customs Value of subject goods in terms of Section 25A of Customs Act, 1969.
3. **Stakeholders' Participation in Determination of Customs Values:** Meetings with the stake holders including importers were held on 16-03-2022 & 17-04-2022, to discuss the current international prices of subject goods. The stakeholders were requested to submit the following documents before or during the course of stakeholders' meetings:
 - 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 last four months showing the difference in price (excluding duty and taxes) to substantiate their contentions.*
4. The participants mostly agreed that the prices of subject commodity have changed in international markets in the light of Coke Market Report.
5. **Method adopted to determine Customs values** Valuation methods given in Section 25 of the Customs Act, 1969 were applied sequentially to address the valuation issue at hand. Transaction value method provided in Section 25 (1) of the Act ibid was found inapplicable because the required information under the law was not available. Identical and Similar goods valuation methods in terms of Section 25(5) and 25(6) provided some reference values but could not be relied upon due to

variation in data. Market enquiry as envisaged under Sub- Section (7) of Section 25 of the Customs Act, 1969 was conducted but could yield no results as prices varied accordingly to selling point in the market. Online values were also checked. Since the manufactures costs and raw material prices of producing the goods in question in the country of exportation were not available. Computed value method as provided in Section 25 (8) could not be applied for valuation of the aforesaid goods. Prices of different types of Coke were checked from the Coke Market Report (CMR), within the meanings of proviso to sub-section (1) of Section 25A *ibid*, inserted vide Finance Act, 2021. Finally, PRAL database, market information and international prices through Web were examined thoroughly. All the information so gathered was analyzed for determination of Customs Value of the subject good. Consequently, the Fall Back Method as provided under section 25(9) of the. Customs Act, 1969 was applied to arrive at assessable customs value of Coke.



6. **Customs value for Coke:** Coke hereinafter specified shall be assessed to duty/ taxes at the value given in the following table: -

S. No.	Description of goods	Size (in millimeter)	PCT	Proposed PCT for WBOC	Origin	Customs Value (C&F) US\$/MT
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Coke Breeze	0 to 25 mm	2704.0010	2704.0010.1000	China, Middle East, Far East	Average price as published in "Coke Market Report" (Monthly) + US \$ 60 on account of Freight & Other Charges.
			2704.0010	2704.0010.1100	Europe, America, Canada	Average price as published in "Coke Market Report" (Monthly) + US \$ 65 on account of Freight & Other Charges.
2.	Semi Coke	Over 25 to 80 mm	2704.0010	2704.0010.1200	China, Middle East, Far East	Average price as published in "Coke Market Report" (Monthly) + US \$ 60 on account of Freight & Other Charges.
			2704.0010	2704.0010.1300	Europe, America, Canada	Average price as published in "Coke Market Report " (Monthly) + US \$ 65 on account of Freight & Other Charges.
3.	Foundry Coke & Metallurgical	Over 80 mm	2704.0010	2704.0010.1400	China, Middle East, Far East	Average price as published in "Coke Market Report" (Monthly) + US\$ 60 on account of Freight & Other Charges.
			2704.0010	2704.0010.1500	Europe, America, Canada	Average price as published in "Coke Market Report " (Monthly) + US \$ 65 on account of Freight & Other Charges.
Note: Reduction of 10% shall be admissible on total of above value on account of freight charges, if goods are imported through land route.						

Illustration :- Average price of Foundry Coke, 90/250 mm, 10.00% Ash range \$ 813-835 (Average US\$/ton FOB 824) as published in "Coke Market Report" (Month of March,2022) + US\$ 60 on account of Freight and other Charges = US\$ 884/MT.


7. In cases where declared 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 determined 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 (4) of Section 25A or section 25D of the Customs Act, 1969, read with Rule 107(a), Chapter IX, 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 issuance 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 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. Customs values determined in the ruling are for the description and specification as mentioned herein. PCT Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible to the assessing officer. 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.753/2015 dated 06-07-2015.***


(Syed Fawad Ali Shah)
Director

Copy for information to:

- 1) The Member Customs (Policy/Operations), Federal Board of Revenue, 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 & WBOC 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.