

The Collectors of Customs, Collectorates of Customs (Appraisement – East / West / Port Muhammad Bin Qasim / SAPT) / Enforcement / JIAP, Karachi / Hyderabad / Quetta (Appraisement / Enforcement), Gawadar / (Appraisement / Enforcement), AHA, Lahore / Appraisement (East/West), Lahore, Faisalabad / Appraisement, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Sargodha / Khuzdar, Gilgit-Baltistan / (Appraisement / Enforcement), Peshawar (Appraisement / Enforcement), Dera Ismail Khan / Exports (Port Qasim / Custom House, Karachi) / Transit Trade, Karachi.

**DETERMINATION OF CUSTOMS VALUES OF GLASS WARE / PORCELAIN  
WARE UNDER SECTION 25A OF THE CUSTOMS ACT, 1969**

**(VALUATION RULING NO. 1823 /2023)**

C. No. Misc/07/2008-V (Part-V) / 992

Dated: 30-10-2023

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

2. **Background of the Valuation issue:** Earlier, the Customs values of Glass Ware/ Porcelain Ware were determined vide Valuation Ruling No. 1774/2023 dated 20.04.2023. Subsequently, the importers (being aggrieved with the VR) filed review petitions under Section 25D of the Act, however, the subject VR was upheld by the Director General vide Order-in-Revision No. 43/2023 dated 27.07.2023, negating the stance of the complainants. Thereafter, the importers filed an appeal against the subject Order-in-Revision before the Honorable Customs Appellate Tribunal that set aside the impugned Valuation Ruling and the Order-in-Revision by the Director General of Customs Valuation on 20.09.2023. As there was no Valuation Ruling in field after Tribunal's order, this Directorate initiated an exercise for re-determination of Customs values of subject goods under Section 25A of the Customs Act, 1969 based on an analysis of import data and changes in international market trends.



3. **Stakeholders' participation in determination of Customs values:** Meeting was convened on 11.10.2023 which was attended by the relevant stakeholders. Issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meeting. The importers argued that the Customs values of subject goods determined vide aforementioned VR subject goods were exorbitantly high which were not acceptable by the importers. They opined that their declared values are actual transactional values, therefore, should be considered for re-determination of Customs values. Some of the importers submitted their export GDs, invoices and BLs to corroborate their stance. Importers also claimed that the local manufacturer had announced a 40% discount on their products when the aforementioned VR was set aside which points towards lower value of instant goods. The importers were asked to provide evidence of this discount but they failed to do the same. They also submitted that the aspect of reduced freight rates from China should also be considered at the time of re-determination of Customs values of subject goods. The participants engaged in import of subject goods from Turkey recorded their grievance over inordinately high increase in Customs

value of subject goods of Turkish origin in the aforementioned VR and requested for rationalizing the same. The viewpoints of importers were heard in detail and were evaluated to arrive at Customs values of the subject goods.

4. **Analysis / Exercise done to determine Customs Values:** The aforementioned viewpoints of importers were analyzed in detail. The scrutiny of clearance data has revealed that, after issuance of aforementioned valuation ruling, the importers have got the subject goods cleared as per the said valuation ruling in more than five hundred (500) Goods Declarations (GDs). Resultantly, 90 days data contained significant evidences of clearances as per the aforementioned Valuation Ruling. As pointed out by the importers, freight rates showed a downward trend since issuance of previous VR.

5. For further (comparative) analysis, international publication on China's Ceramic Tableware Export (2023-2022), issued by China Research and Intelligence Co. Ltd., was accessed which has reflected that average export price of China's Porcelain Tableware has increased from US\$ 2.7/kg (in 2018) to US\$ 3.9/kg (in 2022). In this publication, export values of porcelain Tableware (from China to a number of other countries) are given. Some of them are tabulated below for reference:

US\$/Kg		
Country	Item Description	Export value form China
Netherlands	Porcelain Tableware / Crockery	3.12
Philippines	-do-	4.00
Malaysia	-do-	5.95

6. **Methods Adopted to Determine Customs Values:** Valuation methods specified in section 25 of the Customs Act, 1969, were duly applied in sequential order to arrive at the 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 due to absence of the requisite information because the desired information under sub-section 2 of Section 25 of the Customs Act, 1969 was not available. Therefore, identical goods value method provided in sub-section 5 of Section 25 of the Act *ibid* was examined for determination of Customs values of the subject goods. On the basis of available data and information collected as mentioned in para 4 above, and its thorough analysis, Customs Values of Porcelain Ware / Glass Ware are determined under Section 25(5) of the Act *ibid*.

7. **Customs values for Glass Ware / Porcelain Ware-hereinafter specified** shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below:

S. No	Description of Goods	PCT code	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	<u>Glass Ware</u> Glassware of kind used for Table, Kitchen, Indoor	7013.1000 7013.2800 7013.9900	7013.1000.1000 7013.2800.1000 7013.9900.1000	China	1.90
				Iran	1.75
				UAE	2.10
				Malaysia, Thailand, Egypt, Korea, Indonesia	1.95

	decoration or similar purposes. (Clear/ Opal)			Turkey, Saudi Arabia	2.00
				Europe, USA, Canada	2.25
				Others	2.10
2	Glassware of 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	2.30
				Iran	2.05
				UAE	2.45
				Malaysia, Thailand, Egypt, Korea, Indonesia	2.35
				Turkey, Saudi Arabia	2.40
				Europe, USA, Canada	2.55
				Others	2.35
				China	1.70
				Iran	1.45
3	<b><u>Porcelain Ware</u></b>  Tableware, Kitchen-ware and 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	UAE	1.85
				Malaysia, Thailand, Egypt, Korea, Indonesia	1.75
				Turkey, Saudi Arabia	1.80
				Europe, USA, Canada	2.10
				Others	1.85
				China	2.10
				Iran	1.90
				UAE	2.30
				Malaysia, Thailand, Egypt, Korea, Indonesia	2.15
4	Tableware, Kitchen- ware and other Household articles of porcelain or 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	Turkey, Saudi Arabia	2.20
				Europe, USA, Canada	2.75
				Others	2.25
				China	2.10
				Iran	1.90

**Note1:** This Valuation Ruling does not apply to Wedgwood, Waterford, Royal Albert, Royal Doulton, Royal Crown, Derby, Corelle, Royal Copenhagen, Limoges, Noritake, and other equivalent brands.

**Note 2:** This Valuation Ruling does not apply to Crystal Ware.

8. 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 officers shall take into account the difference between air freight and sea freight while applying the Customs values in this Ruling.

9. **Validity of this Valuation Ruling:** This Ruling, containing the Customs Values for assessment of subject imported goods, shall be applicable until and unless the same is rescinded or revised by the competent authority in terms of sub-section (4) of Section 25A of the Customs Act, 1969.

10. **Revision of the values determined vide this Valuation Ruling:** If aggrieved, 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 its issuance, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

11. The Collectors of Customs may kindly ensure that the values given in the Valuation Ruling, for the given description of goods, are applied by the assessing officers / officials concerned without fail. Any anomaly observed may kindly be brought to the notice of this Directorate immediately. The Customs values determined in the ruling are for the descriptions and specifications as mentioned in the aforementioned table in this Ruling. HS Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to the assessing officers. The assessments shall be finalized on the basis of correct classifications after fulfilling all formalities related to importability or other certifications required thereon.

12. ***This Ruling supersedes Valuation Ruling No. 1774/2023 dated 20-04-2023.***

(Fayaz Rasool Maken)  
Director

Copy for information to: -

1. The Member Customs (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, Baluchistan, Custom House, Quetta.
9. The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
10. The Director General, Intelligence and Investigation (Customs) FBR, Islamabad.
11. The Director General, PCA & Internal Audit, Karachi.
12. The Director General, IOCO, Karachi.
13. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad/Hyderabad/Multan.
14. The Director General, Transit Trade, Custom House, Karachi.
15. The Director, Directorate of Customs Valuation, Lahore/Quetta/Peshawar.
16. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
17. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
18. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
19. The Karachi Customs Agents Association, Bohri Road, Karachi.
20. The Webmaster, Federal Board of Revenue, Islamabad.
21. Guard File.