

GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

No. Misc/19/2009-1/1404

Dated 21-05-2011

RULING U/S 25A NO. 320

Note :

- i) The customs value determined under this Valuation Ruling shall be applicable customs value for assessment of the relevant goods until and unless revised or rescinded by the competent authority.
- ii) Review application against this valuation ruling may be filed before the Director-General of Valuation under Section 25D of the Customs Act, 1969, within (30) thirty days from the date of determination of customs value under this ruling.

The Collectors of Customs, Model Customs Collectorates (Appraisement/ PaCCS/ Port Qasim/ Preventive), Karachi/ Lahore/ Sambrial (Sialkot) / Faisalabad/ Multan/ Islamabad/ Hyderabad/ Quetta/ Peshawar/ Export

Subject : DETERMINATION OF CUSTOMS VALUE OF "PETROLEUM BITUMEN" ALL GRADE (H.S CODE 2713.2000) UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.

On receipt of reference from Collectorate of Customs, Dry port, Islamabad, an exercise for valuation of Bitumen was taken up for determination under section 25A of the Customs Act, 1969.

2. Meetings were fixed for 07-12-2009, 07-12-2009, 07-01-2010 and 17.01.2011, but the importers did not respond to the same except representatives of M/s. National Refinery Ltd, Karachi & M/s Attock Petroleum Ltd. Import data of Customs was scrutinized which showed that Bitumen-Grade 60/70, was imported and cleared at values ranging from US\$ 110/MT to US\$ 520/MT and Bitumen-Grades 80/100, 90/150, 100/120 @ US\$ 280/MT. Due to such wide variation in import values transaction values could not be relied upon in terms of Section 25(1), 25(5) and 25(6) of the Customs Act, 1969. Subsequently local market enquiry was carried out under section 25(7) of the Customs Act, 1969, which revealed that value of all grades of Bitumen, packed in old iron and steel drums, are valued at more or less the same level and therefore values of all grades may be evaluated at par. Information provided by M/s. Attock Petroleum Limited, Karachi, vide letter dated 27-01-2011, has indicated prices in the range of \$ 430 /MT to



US\$ 615/MT (averaging @ US\$520/MT). This price was found to be in close conformity with the evidence of Bitumen Grade 60/70 @ US\$0.52/kg (GD CRN. No. 1348128 dated 16-03-2010 & No. 1345246 dated 13-03-2010), as reflected in import data in terms of section 25(5) & (6) of the Customs Act, 1969, as well as the price indication retrieved from internet sources revealing the price of \$515/MT. The prices reflected in international publication on bitumen namely "Argun Asphalt Report" shows the price of bitumen in the range of US\$ 415/MT FOB, which is found to be in accordance with the aforesaid average price (i.e US\$520/MT) after considering the element of freight and other handling expenses. Relying upon these findings, following values have thus been determined on Fall Back Method as envisaged under section 25(9) of the Customs Act, 1969:-

S.No.	Description of Goods	H.S Code	Origin	Determined values under section 25-A
1	Petroleum Bitumen All grades	2713.2000	All Origin	US\$ 520/MT

3. Accordingly, these values are hereby determined under Section 25A of the Customs Act, 1969. All the Customs Clearance Collectorates are advised to finalize assessment of subject goods on the values mentioned above. These values shall remain valid until revised. However, if the invoice value is higher, then such higher value shall be adopted for assessment purpose, in terms of section 25 of the Customs Act, 1969.

  
 (MUHAMMAD TAHIR)  
 DIRECTOR

Copy for information to:-

1. S.A to Chairman, Federal Board of Revenue, Islamabad.
2. Member (Customs), Federal Board of Revenue, Islamabad.
3. Chief Collectors of Customs (North/South), Lahore/Karachi.
4. The Director General of Intelligence Investigation, Islamabad.
5. The Director General of Customs Valuation, Karachi.
6. The Director General of Post Clearance Audit, Islamabad.
7. The Directors of Intelligence Investigation, Karachi/ Lahore/ Islamabad.
8. The Deputy Director (Hqrs.), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & PaCCS database on the date of issue of this ruling.
9. Federation of Pakistan, Chambers of Commerce & Industry (FPCC&I), Karachi.
10. Karachi Chamber of Commerce & Industry (KCC&I), Karachi.
11. Karachi Customs Agents Group (KCAG), Bohri Road, Karachi
12. Guard File.