



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI  
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RULING U/S 25-A NO. 321

No.Misc/38/2009-VILA /1403

Dated 21-05-2011

**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Valuation Ruling shall be applicable customs value for assessment of the relevant goods until and unless revised or rescinded by the competent authority.*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 thirty (30) 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.**

**SUBJECT: CUSTOMS VALUES OF AUTOMOTIVE SAFETY GLASS UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969.**

Valuation Ruling No.175/2009, dated 28-10-2009, was issued for automotive safety glass (H.S. Code No.7007.1119) by this Directorate General for China and Far East origins. M/s. Ahmed Glass Industries complained vide their letter dated 11-01-2010, that Model Customs Collectorate, Lahore, is assessing the Indian origin automotive safety glass at US\$ 0.33/Kg because this origin is not included in the Valuation Ruling and these goods are being imported from M/s. Asahi Glass, India, who are the OEM Wind Screen supplier and its price is US\$ 4.00/Kg, instead of US\$ 0.33/Kg. Model Customs Collectorate, Lahore, vide letter C.No.V-Cus/Misc/G-II/52/2010, dated 13-01-2011, informed that Indian origin automotive safety glass was being assessed at US\$ 0.60/Kg. MCC, Lahore vide its letter dated 09-02-2011, also requested for determination of Indian origin automotive safety glass under Section 25A of the Customs Act, 1969. Subsequently, Hon' able High Court of Sindh, vide its judgment dated 28-02-2011, in C.P. No. 2673/2009, and other connected petitions, directed to make a fresh determination of value under Section 25A of the Customs Act, 1969 within 90 days. The Court observed that the method applied in conducting the exercise for issuance of the said ruling was essentially based on information provided by the local manufacturers.



2. Value determination exercise was, therefore, initiated and meetings were held with the stakeholders on 22-02-2011 and 19-03-2011, to sort out the issue and determine the fair value of all origin goods for uniform implementation in all clearance Collectorates. Customs data was retrieved from the system which suggests that the automotive safety glass (H.S.Code No.7007.1119) is imported either by OEMs or commercial importers. There is a huge difference in value due to brand and quality of the goods imported by both types of importers. Moreover, these importers pay duty and taxes under different regimes i.e. OEMs pay duty / taxes under concession regime whereas commercial importers pay as per tariff rates. As there is no complaint of under invoicing of OEM brand automotive safety glass, the exercise was restricted to the unbranded automotive safety glass only.


3. In order to proceed further, meeting with the stakeholders was again fixed for 26-03-2011. The joint market survey was scheduled for 03-05-2011, which was not attended by a suitable number of stakeholders. However, final meeting and joint market inquiry / survey were conducted on 10-05-2011, in collaboration with the local manufacturers and other stakeholders. The clearance data indicated that the automotive unbranded safety glass is being assessed at US\$ 2.00/Kg from Korea, US\$ 1.65/Kg for China origin and US\$ 1.80/Kg from Thailand origin. The clearance data also reflects some imports from Indian origin which are being cleared at US\$ 0.60/Kg. Since there are complaints of under-invoicing in the clearance of automotive safety glass, the data under Section 25(1), 25(5) and 25(6) of the Customs Act, 1969, cannot be made the only criterion for value determination.

4. It has, therefore, been decided to determine the customs values of unbranded automotive safety glass, keeping in view the import data as well as the results of market inquiry under deductive value method, as envisaged under Sub-section (5), (6) and (7) of Section 25 of the Customs Act, 1969, as follows :-

S. No.	Description	H.S. Code	Origin	C&F Customs Value (US\$ /Kg)
(1)	(2)	(3)	(4)	(5)
01.	Automotive Safety Glass (unbranded)	7007.1119 and all respective headings	Korea	US\$ 2.00/Kg
			Thailand	US\$ 1.80/Kg
			China	US\$ 1.65/Kg
			India	US\$ 0.92/Kg
			All Other Origins	US\$ 1.80/Kg



5. Above values are hereby determined under Section 25A of the Customs Act, 1969. All the Customs Collectorates are advised to finalize assessment on the values mentioned above. However, if the invoice value is higher than the value in this ruling, then such higher value shall be adopted for assessment purpose.

  
(MUHAMMAD TAHIR)  
DIRECTOR

Distribution

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-FBR, Islamabad.
5. The Director General of Customs Valuation, Karachi.
6. The Director General of Post Clearance Audit, Karachi.
7. The Directors of Intelligence Investigation-FBR, 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. Chairman (Valuation Committee), FPCC&I, Federation House, Karachi.
10. Chairman (Valuation Committee), KCC&I, Aiwan-e-Tijarat Road, Karachi.
11. Karachi Customs Agents Group (KCAG), Bohri Road, Karachi
12. Guard File.