

The Collectors of Customs, Model Customs Collectorates, Appraisement & Facilitation (East / West) / Port Muhammad Bin Qasim / JIAP, Karachi (Appraisement & Facilitation / Enforcement & Compliance), AIIA Lahore / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta (Appraisement / Preventive) / Peshawar (Appraisement & Facilitation/ Enforcement & Compliance) / Gawadar / Gilgit-Baltistan / Export (Karachi / Port Qasim)

DETERMINATION OF CUSTOMS VALUES OF NATURAL RAW RUBBER OF
DIFFERENT GRADES, SYNTHETIC RUBBER (NBR & SBR) & LATEX
CENTRIFUGED RUBBER 60% DRC
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. ¹⁴⁶⁹/2020)

C. No. Misc/10/2012-III /5118

Dated:- 11 -09-2020

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Natural Raw Rubber of different grades, Synthetic Rubber (NBR&SBR) & Latex Centrifuged Rubber 60% DRC are determined as follows:

2. Background of the valuation issue: Earlier the customs values of Natural Raw Rubber of different grades, Synthetic Rubber (NBR&SBR) & Latex Centrifuged Rubber 60% DRC were determined under Section 25A of the Customs Act, 1969, vide Valuation Rulings 1092/2017 dated 18-03-2017, 1091/2017 dated 18-03-2017 & 1257/2018 dated 08-02-2018. However, representations were received from importers and manufactures for revision and rationalization of the existing Valuation Ruling in the light of prevailing values in the international market. Accordingly, an exercise was initiated to determine the values of said items under Section 25-A of the Customs Act, 1969.

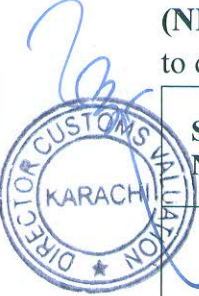
3. Stakeholders' participation in determination of Customs values: Meeting with the stakeholders was called on 18-11-2019. The stakeholders were requested to furnish the following documents before or during the course of above said meeting:

- i. Invoices of imports during last three months showing factual 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 documents.

4. The meeting was attended by the importers who were of the view that there is a huge decline/change in prices in the international market for rubber and the prices for the subject goods are on a downward trend. The importers submitted some documents in support of their claim which have been examined.

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 declared values were true transactional values. Moreover, different values were declared by different importers for same product. 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. Information available hence found inappropriate. In line with statutory sequential order of section 25, this office conducted market inquiries under sub-section (7) of Section 25 of the Customs Act, 1969. But as the goods are industrial items and not sold as consumer items therefore sub-section (7) of Section 25 could also be not applied. Then, valuation method vide Section 25(8) of the Customs Act, 1969 was examined for valuation but the same also could not be applied as the conversion cost from raw material upto in the form of goods as imported, at the country of export were not available. Consequently, reliance was placed upon sub-section (9) of section 25 of the Customs Act, 1969 for the valuation of Natural Raw Rubber of different grades, Synthetic Rubber (NBR & SBR) & Latex Centrifuged Rubber 60% DRC.

6. Customs Values of Natural Raw Rubber of different grades, Synthetic Rubber (NBR & SBR) & Latex Centrifuged Rubber 60% DRC hereinafter specified, shall be assessed to duty and taxes at the following minimum Customs values: -



Sr. No	Description of goods	PCT Heading	PCT for WeBOC	Origin	Custom Values C&F (US\$/Kg)
1.	Natural Raw Rubber Smoked Sheets RSS-1, 2 & 3 (ISNR-5, ISNR-10), SLR-5/SLR-10, SVR-5/SVR-10,	4001.2100, 4001.2200, 4001.2900	4001.2100.1000, 4001.2200.1000, 4001.2900.1000	Sri Lanka, Vietnam, Thailand, Indonesia, Bangladesh, Myanmar & Cambodia	1.90
2.	STR-5/SIR-5, STR-10/SIR-10 and equivalent TSNR grades	4001.2100, 4001.2200, 4001.2900	4001.2100.1100, 4001.2200.1100, 4001.2900.1100	Other Origins	2.20
3.	Natural Raw Rubber Smoked Sheets RSS-4 & 5 (ISNR-20/ISNR-50), SLR-10/SLR-20, SVR-10, SVR-20,	4001.2100, 4001.2200, 4001.2900	4001.2100.1200, 4001.2200.1200, 4001.2900.1200	Sri Lanka, Vietnam, Thailand, Indonesia, Bangladesh, Myanmar & Cambodia	1.75
4.	STR-10/SIR-10, STR-20/SIR-20 and equivalent TSNR grades	4001.2100, 4001.2200, 4001.2900	4001.2100.1300, 4001.2200.1300, 4001.2900.1300	Other Origins	1.95

