GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
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C. No. Misc/01/2009-VI/Dir-50 Dated: 08-10-2026

PUBLICATION VALUATION RULING NO. 69 / 2026

1. This Ruling shall be applicable until the same is rescinded or revised in terms of sub-section (4) of Section 25A of the Customs Act, 1969.

2. The revision petition against this Publication Valuation Ruling can be filed under Section 25D of the Customs Act, 1969, within 30 days before the Director General, Directorate General of Customs Valuation, Karachi.

Subject: **DETERMINATION OF CUSTOMS VALUE OF CARBON STEEL SEAMLESS PIPES UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.**

1.	Valuation Ruling	This Publication Valuation Ruling (PVR) supersedes PVR No. 68/2026 dated 12.06.2026
2.	Date of meeting with stakeholders	The meeting with relevant stakeholders was conducted on 05.10.2026 in compliance with directions of Order In Revision No. 41/2026 Dated 31.08.2026

DIRECTOR CUSTOMS VALUATION KARACHI

Background of the Issue: The customs value of Carbon Steel Seamless Pipes was earlier determined vide PVR No. 68/2026 dated 12.06.2026. The said PVR 68/2026 was assailed under Section 25D of the Customs Act, 1969, by M/s. Huffaz Seamless Pipe Industries Limited, M/s. Peoples Steel Mills Ltd and M/s. Jamal Seamless Pipe (Pvt) Ltd (local manufacturers). The learned Director General, Customs Valuation, vide Order-in-Revision No. 41/2026 dated 31.08.2026, directed to conduct a fresh exercise, in accordance with (the employed method) Section 25(8) of the Customs Act,1969, for computation of customs value of the goods in question. In compliance of the abovementioned Order-in-Revision, the Directorate initiated exercise for re-determination of customs values of the subject item under section 25A of the Customs Act, 1969. Accordingly, meeting notices were issued to the importers and other concerned stakeholders, inviting them to participate in the valuation proceedings and submit relevant documentary evidence, including import documents, invoices, and other information considered necessary for determination of the customs values.

2. **Stakeholders' participation in determination of Customs Values:** Hearing opportunity was provided to the concerned stakeholders vide meeting notice dated 17-09-2026 (scheduling meeting on 05-10-2026). Meeting was attended by relevant stakeholders and gave their view-points. The local manufacturers contended that (i) the LMB/ Fastmarkets price of China-origin square Billets adopted as the raw material benchmark is obsolete and inappropriate, as it represents an import price rather than export price and has not been updated since March 2024, thereby failing to reflect prevailing international market conditions, (ii) In the absence of export price of Steel Billet from China, domestic, exw price

from China shall be used and 13% VAT should be included in this value for calculation of export FOB price of China (iii) round-bar feedstock is approximately USD 180–200/MT more expensive than LME square billets, (iv) Fabrication cost should be around USD 350/MT for converting round bar to seamless pipe and (v) Freight should be fixed value rather than actual freight. On the other hand, the importers contended that fabrication cost should not exceed USD 250/MT and domestic, exw price from China already includes 13% VAT.

3. **Analysis / exercise done to determine Customs Values:** In compliance with the Order-in-Revision, the computed value under Section 25(8) of the Customs Act, 1969 read with Rule 120 of the Customs Rules, 2001, has been considered by adopting five individually verifiable cost elements: (a) LME billet price; (b) square-billet differential; (c) fabrication cost; (d) freight and (e) miscellaneous costs. Data of import of round billets / bars by manufacturers for producing seamless pipes as well as the data of import of finished seamless pipes by commercial importers has also been examined to corroborate findings.

4. **Method(s) adopted to determine Customs values:** Valuation methods, provided in Section 25 of the Customs Act, 1969, were applied in sequential order. The transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969, was found inapplicable as declared values do not correspond to market prices. The values of identical and similar goods as per sections 25 (5) & (6) ibid could not be solely relied upon due to absence of absolute demonstrable evidence of qualities and quantities of commercial level etc. In line with the statutory sequential order of Section 25, this office conducted market inquiries under Sub-Section (7) of Section 25 of the Customs Act, 1969, but the same could not yield meaningful results as prices varied significantly. Thereafter, the values were worked out by applying the methodology under section 25(8) of the Customs Act, 1969, after taking LME prices of the main constituent materials with square billet differential, value addition on account of fabrication cost and freight. Finally, online information as well as values from internationally acclaimed publications i.e. LME etc. under proviso of sub-section (1) of Section 25A of the Customs Act, 1969, and cost of fabrication so gathered have been utilized and analyzed for determination of custom values of the subject goods under Section 25(8) of the Customs Act, 1969 which are as under:

5. ***Customs values for Carbon Steel Seamless Pipes, Assorted Sizes*** *hereinafter specified shall be assessed to duty/taxes at the following minimum Customs values:*

S. No.	Description of Goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US$ Per Ton
1	2	3	4	5	6
1.	Carbon Steel Seamless Pipes (Assorted Sizes)	7304.3900	7304.3900.1000	China	LME price of Steel Billet domestic, exw + 2% of LME price of Steel Billet domestic, exw on account of general expenses plus US$ 50/- as Square-Billet Differential plus US$ 300/- as Fabrication Cost plus actual freight.

2.	Carbon Steel Seamless Pipes (Assorted Sizes)	7304.3900	7304.3900.2000	All Other Origins	LME price of Steel Billet export plus US$ 50/- as Square-Billet Differential plus US$ 300/- as Fabrication Cost plus actual freight.

6. In cases where declared values or values in invoice retrieved from the consignment, as the case may be, are higher than the customs values determined in this valuation ruling, the assessment shall be made on higher values in terms of sub-section (1) of Section 25 of the Customs Act, 1969.

7. The Valuation Ruling shall be applicable for the descriptions and specifications of goods as mentioned in the aforementioned table. HS Codes are mentioned for illustrative purposes.

8. The Collectorates of Customs shall ensure the implementation of this Publication Valuation Ruling and in case of any anomaly the same may be brought to the notice of this Directorate immediately.

(Tahir Abbas)
Director

Copy for necessary action and implementation:

The Collectors / Directors of Customs, Collectorates / Directorates of Customs (Headquarters-South)/ Appraisement-West / East / SAPT / PMBQ / JIAP / Enforcement/), Karachi / Hyderabad / (Appraisement / Enforcement / Ports), Quetta / Gwadar / Khuzdar (Appraisement / Enforcement / AIIA), (Appraisement– East / West, Lahore / Faisalabad Appraisement / Enforcement, Sargodha / Enforcement & Appraisement, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisement/ Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim/Custom House, Karachi) / Transit Trade, Karachi.

Copy for information:

1) The Member Customs (Operations/Policy), F.B.R., Islamabad.
2) The Director General, Director Generals of Customs Valuation, Custom House, Karachi.
3) All Chief Collectors / Director Generals of Customs, Karachi / Lahore / Islamabad / Quetta / Peshawar.
4) The Director, Directorate of Customs Valuation, Lahore / Quetta / Peshawar.
5) All Collectors / Directors of respective Collectorates and Directorates.
6) The Deputy Director (MIS), Directorate General of Customs Valuation, Karachi, for uploading in WEBOC database system.
7) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
8) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
9) The Webmaster, Federal Board of Revenue, Islamabad.
10) All Pakistan Customs Agents Association, (APCAA) Ground floor, Burhani Terrace, Bohri Rd, opp. New Custom House, Kharadar Ghulam Hussain Kasim Quarters, Karachi.
11) The Karachi Customs Agents Group, Bohri Road, Karachi.
12) Guard File.