



GOVERNMENT OF PAKISTAN

DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorates, Appraisement (East / West) / Port Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan/ Exports (Karachi/ Port Qasim) .

Determination of Customs Values of Washing Machine Parts Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. ¹²⁵⁰ / 2018)

C. No.Misc/20/2017-VII

Dated: January 24, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Washing Machine Parts are determined as follows:-

2. **Description of the valuation issue:** It was brought to the notice of this Directorate General that washing machine parts are being cleared at lower value. Therefore, an exercise was initiated to determine the customs values of washing machine parts under Section 25A of the Customs Act, 1969.

3. **Stakeholder's participation in determination of Customs values:** Stakeholders' meeting was scheduled on 06.12.2017. All participants were requested to submit the following documents:

- 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 three months showing the difference in price (excluding duty and taxes) to substantiate their contentions.

4. The meeting was attended by importers and local manufacturers. The representative of Super Asia washing machines stated that they manufacture almost all parts of washing machine, however, due to technology shift to automatic washing machines imports of parts have increased by different importers. The manufacturers of wash/ spin timers of washing machines submitted that the imported parts are being cleared at much lower values and these may be rationalized as per international price trends and they also submitted documents in support of their contentions. They contended that wash / spin timers of washing machines are being incorrectly declared and cleared under 8450.9000, where unit of measure is kg whereas they are correctly classifiable under specific heading of 9107.0000 where unit of measure is "Unit". The participants were requested to submit all requisite documents in support of their contentions. However, despite lapse of considerable time, no documents or record was furnished to this Directorate General.



5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed sequentially. Transaction value method provided in Section 25 (1) was found inapplicable because the requisite information was not available as per law. Identical / similar goods value methods provided in Sub-Section (5) & (6) of Section 25 of the Customs Act, 1969 provided some reference values but due to wide variations in the declarations the same could not be relied upon exclusively. Thereafter, market enquiry as envisaged under Section 25(7) of the Customs Act, 1969, was conducted. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the Customs values of washing machine parts have been determined under Section 25(7) of the Customs Act, 1969.

6. **Customs Values of Washing Machine Parts *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	Proposed PCT For WBOC	Origin	Customs Values (C&F)
(1)	(2)	(3)	(4)	(5)	(6)
01	Wash / Spin Timer (weighing up to 50gm)	9107.0000	9107.0000.1000	China	US\$ 0.55 /pc
02	Wash/Spin Timer (weighing above 50gm)		9107.0000.1100		US\$ 0.65 /pc
03	Coupling Drum	8450.9000	8450.9000.1000		US\$ 5.00 /kg
04	Plate Shaft		8450.9000.1100		US\$ 4.00 /kg
05	Brake Plate		8450.9000.1200		US\$ 2.75 /kg
06	Bellows Assembly		8450.9000.1300		US\$ 4.50 /kg
07	Spin Shaft		8450.9000.1400		US\$ 5.00 /kg

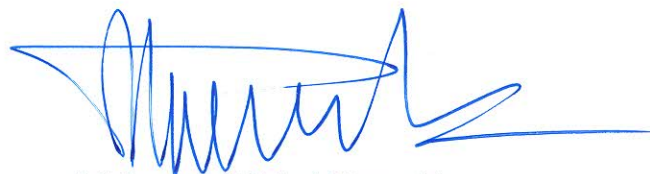
7 In cases where declared / transaction values are higher than the Customs values determined in this Ruling, the assessing officers shall apply those values in terms of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account air freight while applying the Customs values determined in this Ruling.

8 **Validity of Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs value for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Sections (1) or (3) of Section 25-A of the Customs Act, 1969.

9 **Revision of the value determined vide this Valuation Ruling:** A revision petition may be filed against this Ruling, as provided under Section 25-D of the Customs Act, 1969, within 30 days from the date of issue, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

10. The Collectors of Customs may kindly ensure that the values given in this Valuation Ruling for the given description of goods are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of this Directorate General

immediately. Customs values determined in the ruling are for the description and specification as mentioned in the table above of this Ruling. HS Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.



(Muhammad Iqbal Muneeb)

Director

25/11/18

Copy for information to :-

1. The Member (Customs), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisement), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Director General, Intelligence and Investigation, Islamabad.
8. The Director General, Post Clearance Audit, Islamabad.
9. The Director, Intelligence & Investigation, Karachi/ Lahore/ Islamabad/Quetta/Peshawar/Faisalabad.
10. The Project Director, WeBOC, 11th Floor, Custom House, Karachi.
11. The Director, Customs Valuation, Custom House, Lahore.
12. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, uploading this Val. Ruling in One Customs & WeBOC database system.
13. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
14. The Chairman (Valuation Committee), KCC&I, Aiwan-e-Tijarat Road, Karachi.
15. Customs Revenue Audit, 8th Floor, Custom House, Karachi.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Revision Section, Customs Valuation, 7th floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisement, 1st floor, Custom House, Karachi.
21. Guard File.