



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 Hard Disk (Internal/External)**  
**Under Section 25-A of the Customs Act, 1969**

(VALUATION RULING NO. 1353/2019)

C.No.19/25-A/Hard Disk/Val. Khi/2018-VII

Dated: January 29, 2019

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Hard Disk (Internal/External) are determined as follows:-

2. **Description of the Valuation Issue:** Representations were received from MCC, Appraisement-West, Karachi that hard disks of various capacities are being cleared at lower values. Therefore, this Directorate General was requested to determine its customs value under Section 25A of the Customs Act, 1969 for uniform assessment. Accordingly an exercise was initiated in this Directorate General to determine customs values of subject goods in terms of Section 25-A of the Customs Act, 1969.

3. **Stakeholders' Participation in Determination of Customs Values:** A number of meetings were held with stakeholders which were attended by different stakeholders including importers, officers from clearance Collectorates and representatives from trade bodies. All the stakeholders were requested to submit the following documents before or during the course of stakeholder's meetings:

- 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 the last four months showing the values of supplies (excluding duty and taxes) to substantiate their views.

4. The importers, during meetings, stated that the prices of hard disks depend on different capacities, brands and data storage. They further requested that the retailer margin of profit and warranty aspect may be considered while determining values of hard disc. Some of the stakeholders stated that used Hard Disks are being declared and assessed on very lower values. Despite lapse of considerable time the requisite documents have not been submitted by the stakeholders.

5. **Method Adopted to Determine Customs Values:** Valuation methods given in Section 25 of the Customs Act, 1969 were applied sequentially to address the valuation issue at hand. Transaction Value Method under sub-section (1) of section 25 of the Act ibid was found inapplicable because the requisite information under the law was not provided by the importers. Identical and Similar Goods valuation methods provided in Sub-Sections (5) and (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. In the sequential order this office conducted market inquiries in terms of Sub-Section (7) of Section 25 of the Customs Act, 1969. Input and feed back by the participants during the Stakeholders' meetings were also considered. Online information was also obtained. All the information so gathered was analyzed and evaluated. Keeping all the above in view, customs values of hard disk (internal/external) are determined under Sub-Section (7) of Section 25 of the Customs Act, 1969.

6. **Customs Values of Hard Disk (Internal/External) hereinafter specified**, shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below:

S. No.	Description	HS Code	Proposed PCT for WeBOC	Origin	Customs Value US\$/pc	
1	2	3	4	5	6	
					A	B
1	Hard Disk upto 999GB (Internal/External)	8471.7020	8471.7020.1000	All origins	8	3.50
2	Hard Disk 1TB (Internal/External)		8471.7020.2000		16	4.10
3	Hard Disk 1.1TB to 2TB (Internal/External)		8471.7020.3000		20	6.15
4	Hard Disk 2.1TB to 4TB (Internal/External)		8471.7020.4000		22	8.10
5	Hard Disk 4.1TB to 6TB (Internal/External)		8471.7020.5000		24	10.0
6	Hard Disk 6.1TB to 8TB (Internal/External)		8471.7020.6000		32	15.0
7	Hard Disk 8.1TB to 10TB (Internal/External)		8471.7020.7000		40	20.0
8	Hard Disk 10.1TB to 12TB (Internal/External)		8471.7020.8000		50	26.0
9	Hard Disk 12.1TB to 14TB (Internal/External)		8471.7020.9000		70	40.0
10	Category-A	Dell, Sony, Buffalo, G-Tech, Samsung, LG, Hyundai.				
11	Category-B	Seagate, Western Digital, Transcend, ADATA, Toshiba, Silicon Power, Hik Vision, LaCie & Other low end brands.				
12	Note:	The above determined custom values shall not be applicable on the import of Solid State Drive (SSD) and Hewlett Packard (HP) brand hard disk.				
13	Used Hard Disk	Shall be assessed at 65% on the values determined above.				

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, 7<sup>th</sup> 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

29/1/19

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/Peshawer/Faisalabad.
10. The Project Director, WeBOC, 11<sup>th</sup> 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, 8<sup>th</sup> Floor, Custom House, Karachi.
16. Law Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7<sup>th</sup> floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7<sup>th</sup> Floor, Custom House, Karachi / MCC, Appraisement, 1<sup>st</sup> floor, Custom House, Karachi.
21. Guard File