



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE, KARACHI

The Collectors of Customs, Collectorate of Customs, (Appraisalment – East / West) Appraisalment – Port Muhammad Bin Qasim / Enforcement / JIAP) Karachi / Hyderabad / Appraisalment / Enforcement) Quetta / Gawadar (Appraisalment / Enforcement / AIIA), Lahore / Appraisalment, Faisalabad / Appraisalment, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit- Baltistan / (Appraisalment /Enforcement) Peshawar / Enforcement, Dera Ismail Khan / Exports (Karachi / Port Qasim) Transit Trade (Karachi)

DETERMINATION OF CUSTOMS VALUE OF COPPER COATED ALUMINIUM WINDING WIRE / LACQUER COATED ALUMINIUM WINDING WIRE UNDER SECTION 25A OF THE CUSTOMSACT, 1969.

(VALUATION RULING NO.1617/2022)

No.Misc/18/2010-VII

Dated: 25 -03-2022



In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs value of Copper Coated Aluminium Winding Wire / Lacquer Coated Aluminium Winding Wire is determined as follows:

2. **Background of the valuation issue:** Several references were received from the trade as well as from the department regarding and requesting clarification and removal of the anomaly / ambiguity in previous Valuation Ruling 1124/2017 between copper coated aluminium enameled winding wire and lacquer coated aluminium enameled wire. Because of such anomalies, some unscrupulous importers have been mis-declaring the description of different types of winding wires with a view to evade legitimate duty and taxes. Thus an exercise is carried out to determine the customs value and proper description of the goods.

3. **Stakeholders' participation in determination of Customs values:** Meeting was held on 09.02.2022 with stakeholders including the representatives of importers. The Participants contended that Lacquer Coated Aluminium winding wire is comparatively cheap in international market and provided with relevant documentary evidences. They claimed that it was unfair to attribute customs value of Copper Coated Aluminium Winding wire to Lacquer Coated winding wire and this anomaly may be removed and values corrected. They further explained the composition of different materials used and respective processing methods. All the participants were requested to submit following documents so that correct customs values could be determined:-

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

- ii) Export Gds.
- 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 that the benefit of difference in price is passed on to the local buyers.

The importers later provided export GDs, invoices of imports and Sales Tax invoices.

4. **Method adopted to determine Customs values:** Valuation methods provided under Section 25 of the Customs Act, 1969 were followed. Transaction value method provided given in Section 25 (1) was found inapplicable because the requisite information was not available. Identical / similar goods value Methods provided in Section 25(5) & (6) were examined which provided some reference values but due to wide variation could not be exclusively relied on. Deductive Value Method as envisaged under Section 25(7) of the Customs Act, 1969, as examined but the same was not helpful because the values varied according to the selling point of the market and all specifications were not readily available. Similarly, the value method under Section 25(8) of the Customs Act, 1969, could not be applied fully due to non-availability of details of expenses retaliating to conversion costs incurred in the country of manufacture. Finally, PRAL database, market information and international prices through Web were examined thoroughly within the meaning of proviso to sub-section (1) of Section 25A inserted vide Finance Act, 2021. All the information so gathered and documents including export GDs provided by importers was analyzed for determination of Customs Value of the subject good. Consequently, the Fall Back Method as provided under section 25(9) of the. Customs Act, 1969 was applied to arrive at assessable customs value of Aluminium Winding Wire.

5. **Customs Value of Aluminium Winding Wire: hereinafter specified** shall be assessed to duty / taxes at the following minimum Customs Value:-

S.No.	Description of goods	PCT	Proposed PCT for WEBOC	Origin	Customs Values (C&F) (US\$/KG)
(1)	(2)	(3)	(4)	(5)	(6)
1	Copper Coated	8544.1900	8544.1900.1000	China	4.60
2	Aluminium Winding Wire		8544.1900.1100	Other Origins	6.70
3	Lacquer Coated	8544.1900	8544.1900.1200	China	2.20



4	Aluminium Winding Wire		8544.1900.1300	Other Origins	3.20
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6. In cases where declared values are higher than the Customs values determined in this Ruling, the assessing officers shall apply those values in terms of Sub-Section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account the differential between air freight and sea freight while applying the Customs values determined in this Ruling.

7. **Validity of this 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 (4) of Section 25A of the Customs Act, 1969.

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

9. The Collectors of Customs may kindly ensure that the values given in the 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. The Customs values determined in the ruling are for the description and specification as mentioned in Para-5. PCT Codes are mentioned for illustrative purposes 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 all formalities relating to importability or any other certifications required thereon.

10. ***This ruling supersedes Valuation Ruling No. 1124/2017 dated 12-04-2017.***


(Syed Fawad Ali Shah)
 Director

Copy for information to: -

- 1) The Member Customs (Policy/Operations), F.B.R., Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) The Chief Collector of Customs, South (Appraisalment), 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 Chief Collector of Customs, (Enforcement), Custom House, Quetta.
- 8) The Director General, Intelligence and Investigation-FBR, Islamabad.

- 9) The Director General, PCA& Internal Audit, Karachi.
- 10) The Director General, IOCO, Karachi
- 11) The Director General, Transit Trade, Custom House Karachi
- 12) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 13) The Director, Transit Trade, Custom House Karachi
- 14) The Director, Directorate of Customs Valuation, Lahore.
- 15) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in WEBOC system.
- 16) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 17) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 18) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 19) The Webmaster, Federal Board of Revenue, Islamabad.
- 20) Guard File.