



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

To;

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

DETERMINATION OF CUSTOMS VALUE OF PRINTED CIRCUIT BOARDS
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969;

(VALUATION RULING NO.555/2013

No. Misc/01/2013-VII

Dated: 04-06-2013

In exercise of the powers conferred under section 25A of the Customs Act, 1969, the customs Values of Printed Circuit Boards are determined as follows :-

1. Background of the valuation issue :- Complaints of under invoicing in imports of Printed Circuit Board were received by this Directorate General vide letters No.SI/Misc/332/2013-V dated 29-01-2013 and No MCC/Estb/01/09 dated 26-03-2013 from MCC Appraisement & MCC PaCCS respectively. On scrutiny of the import data, it appeared that some importers were underinvoicing the said goods. This prompted an exercise to determine the customs values of the Printed Circuit Boards.
2. Methodology adopted to determine customs values - Valuation methods given in section 25 of the Customs Act, 1969, were examined to ascertain which methods were applicable to the valuation issue in hand in terms of section 25A(1) of the Act. Transactional value method provided in section 25 (1) was found inapplicable because sufficient information with respect to adjustments to be made to the transactional value in terms of section 25 (2) was not available. Identical / similar goods value methods provided in section 25(5) and (6) were examined for applicability to the valuation issue in the instant case. These methods furnished unrealistic / unreliable values and were not found applicable. The deductive method as envisaged under section 25(7) of the Customs Act, 1969 was also examined to arrive at customs values of the Printed Circuit Boards. However, due to non availability of the requisite information of the goods in the local market, a fair determination of values on this ground was not found feasible. However, the calculation based upon the costing of imported raw materials, as



provided by the local manufacturers was taken into consideration in terms of section 25(8) of the Customs Act, 1969 and relying upon the same, provisions of section 25(9) of the Customs Act, 1969 were taken into account to arrive at the customs values of Printed Circuit Board. The international prices of consumable raw materials in the manufacture of Printed Circuit Board was also examined which showed prices in the minimum price range of US\$3.29/kg whereas, MCC (PaCCS) had also recommended determination of customs value of these goods @US\$5.00/kg (Minimum).

3. Stakeholders participation to determine customs values Meetings were held with the stakeholders on 12-03-2013 and 12-04-2013 for their input and evidences to determine prevailing prices of Printed Circuit Board in the international markets. In the meetings, the local manufacturer, M/s. Elite PCB vehemently expressed that the goods in question were being imported at values less than the value of constituent materials. They also produced costing of PCB manufactured by them which was fully based on imported raw materials. No contrary evidence was furnished by other stakeholders.

4. Determination of Customs values - Customs values for Printed Circuit Boards *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 Code	Proposed PCT for WeBOC	Origin	Customs Values
(1)	(2)	(3)	(4)	(5)	(6)
1	Single Sided Printed Circuit Board	8534.0000	8534.0000.1010	China	US\$6.07/kg
2	Double Sided Printed Circuit Board	8534.0000	8534.0000.1020	China	US\$13.40/kg

5. Validity of this Valuation Ruling - The customs value determined in this Ruling shall continue to be the applicable customs value for the aforementioned goods till the time this Valuation Ruling is rescinded or revised by the competent authority in terms of section 25A of the Customs Act, 1969. Moreover, this Valuation Ruling applies to cases where declared values are less than the customs value determined in the ruling. In cases where declared values are more than the customs value determined in the ruling, the concerned assessing officers shall apply such higher values in terms of section 25(1) of the Customs Act, 1969. Moreover, in case of consignments imported by air, if the differential between air freight and sea freight, when taken into account, raises the customs values



above those determined in this ruling, the concerned assessing officers shall apply such higher values in terms of section 25(1) of the Customs Act, 1969.

6. Remedies against this Valuation Ruling The Customs Act, 1969, provides efficacious alternate remedies against this Ruling. Section 25-D provides that any person aggrieved of the Ruling may file a revision petition within 30 days from the date of this Ruling before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi. An appeal against the decision in revision of the Director General can be filed within 60 days of the decision before the Customs Appellant Tribunal under section 194-A (1) (e) of the Customs Act, 1969.

(Muhammad Javed Ghani)
Director

Copy for information to :-

- 1) S.A. to Chairman, F.B.R., Islamabad.
- 2) Member (Customs), F.B.R., Islamabad.
- 3) Director General, Customs Valuation, Custom House, Karachi.
- 4) Chief Collector of Customs (Appraisalment), South, Custom House, Karachi.
- 5) Chief Collector of Customs (Enforcement), South, Custom House, Karachi.
- 6) Chief Collector of Customs (Central), Custom House, Lahore.
- 7) Chief Collector of Customs (North), Custom House, Islamabad.
- 8) Director General, Intelligence and Investigation, Islamabad.
- 9) Director General, Post Clearance Audit, Islamabad.
- 10) Director General Internal Audit, (Customs), Islamabad.
- 11) Directors, Intelligence & Investigation, Karachi/Lahore/ Islamabad/ Peshawar/ Faisalabad / Quetta.
- 12) The Project Director Weboc, 11th Floor, Custom House, Karachi.
- 13) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi for uploading in One Customs & Weboc database on the date of issue of this ruling.
- 14) Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 15) Chairman (Valuation Committee), KCC&I, Aiwan-e-Tijarat Road, Karachi/ Lahore.
- 16) Customs Revenue Audit, 8th floor, Custom House, Karachi
- 17) Karachi