



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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

DETERMINATION OF CUSTOMS VALUES OF  
SPLIT AIR CONDITONERS (WALL MOUNTED / FLOOR STANDING)  
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 586 / 2013)

No. Misc/06/2008-VII

Dated: September 30, 2013

In exercise of the powers conferred under section 25-A of the Customs Act, 1969, the Customs values of 'Split Air-conditioners' are determined as follows:-

1. **Description of the valuation issue:** The Customs values of Split Air-conditioners were determined vide Valuation Ruling 06/2008-VII dated 31.10.2009. A reference was received from Model Custom Collectorate, Appraisement (East), Karachi, regarding under-invoicing in import of Split Air-Conditioners (Wall mounted / Floor standing). It was informed vide letter No.15/MISC-APP (EAST)/PICT/EXAM/2013 dated 23-08-2013 that original invoice was found in a consignment of China origin Split Air-conditioner of 12000 BTU. Therefore, an exercise to determine the Customs values of the subject goods under section 25-A of the Customs Act, 1969 was initiated.
2. **Method adopted to determine customs values:** Valuation methods given in section 25 of the Customs Act, 1969 were followed. Transaction value method provided in section 25(1) was found inapplicable because requisite information was not available. Identical / similar goods value methods provided in sub-section (5) & (6) of section 25 ibid were also not found applicable for determination of the Customs values due to unreliable and variable values. However, for Split Air-conditioner 12000BTU of China origin, the transaction price intimated by MCC, Appraisement (East) was considered. Consequently findings of market enquiry as envisaged under sub-section (7) of section 25 of the Customs Act, 1969 read with sub-section (9) of section 25 ibid were followed to determine Custom values for Split Air-Conditioners (Wall mounted / Floor standing) in this case.
3. **Stakeholders' participation in determination of Customs values:** A meeting with stakeholders was held to obtain their feedback regarding current international prices of the subject goods.





4. Customs Values for Split Air-Conditioners (Wall mounted /Floor standing), hereinafter specified, shall be assessed to duty / taxes on the customs values mentioned against them in the Table below :-

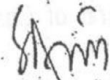
S. No	Description of goods	PCT Heading	Proposed PCT for WeBoc	Origin	Customs Value (C&F) US\$/unit
(1)	(2)	(3)	(4)	(5)	(6)
01	Split Air Conditioner 12000BTU (wall mounted)	8415.1020	8415.1020.1000	China	209.00
02	Split Air Conditioner 18000BTU (wall mounted)	8415.1020	8415.1020.1100	China	242.00
03	Split Air Conditioner 24000BTU (wall mounted)	8415.1020	8415.1020.1200	China	300.00
04	Split Air Conditioner 24000BTU (floor standing)	8415.1020	8415.1020.1300	China	477.00
05	Split Air Conditioner 48000BTU (floor standing)	8415.1020	8415.1020.1400	China	690.00
06	Split Air Conditioner 60000BTU (floor standing)	8415.1020	8415.1020.1400	China	822.00
07	Split Air Conditioner 12000BTU (wall mounted)	8415.1020	8415.1020.1500	Far East excluding Japan	225.00
08	Split Air Conditioner 18000BTU (wall mounted)	8415.1020	8415.1020.1600	Far East excluding Japan	291.00
09	Split Air Conditioner 24000BTU (wall mounted)	8415.1020	8415.1020.1700	Far East excluding Japan	340.00
10	Split Air Conditioner 24000BTU (floor standing)	8415.1020	8415.1020.1800	Far East excluding Japan	534.00
11	Split Air Conditioner 48000BTU (floor standing)	8415.1020	8415.1020.1900	Far East excluding Japan	816.00
12	Split Air Conditioner 60000BTU (floor standing)	8415.1020	8415.1020.2000	Far East excluding Japan	1017.00

Note: Indoor units if imported separately, shall be assessed @ 40% of the value of CBU Air Conditioners and out door units if imported separately, shall be assessed @ 60% of the value of CBU Air conditioners as notified above in all categories.

5. In cases where declared / transaction values are higher than the Customs value 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.

6. **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 of the Customs Act, 1969.
7. **Review of the value determined vide this Valuation Ruling:** A review 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.
8. This valuation ruling supersedes valuation Ruling 06/2008-VII dated 31.10.2009
9. The Collectors of Customs may kindly ensure that the values given in the Ruling are applied by the concerned staff without fail.

  
Suraiya Ahmed Butt  
Director

Copy 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, South (Appraisalment), Custom House, Karachi.
5. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
6. Chief Collector of Customs (Central), Lahore.
7. Chief Collector of Customs (North), 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/ Quetta/ Peshawar/ Faisalabad.
12. The Project Director, WeBOC, 11<sup>th</sup> Floor, Custom House, Karachi.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database and deleting Valuation Ruling 06/2008-VII dated 31.10.2009. *On its date of issue.*
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chairman (Valuation Committee), KCC&I, Aiwan-e-Tijarat Road, Karachi.
16. Customs Revenue Audit, 8<sup>th</sup> Floor, Custom House, Karachi.
17. Law Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
18. Review Section, Customs Valuation, 7<sup>th</sup> floor, Custom House, Karachi.
19. Karachi Customs Agents Group, Bohri Road, Karachi.
20. Guard File.