



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

To,

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

DETERMINATION OF CUSTOMS VALUES OF WELDING ELECTRODES (MS, SS, BRONZE) UNDER SECTION 25-A OF CUSTOMS ACT, 1969.

(VALUATION RULING NO.518 / 2012)

No. Misc/11/2005-VI

Dated: 27th December 2012

In exercise of the powers conferred under section 25-A of the Customs Act, 1969, the customs values of Welding Electrodes (MS, SS, Bronze) are determined as follows :-

- 1. Description of the valuation issue** Since the earlier customs value of Welding Electrodes (MS, SS, Bronze) determined vide Valuation Ruling No 353 dated 12-07-2011 was considerably old, it needed revision to reflect the current price trend prevailing in international market of these goods. This prompted an exercise to re-determine the customs values of the afore stated goods under section 25A of the Customs Act, 1969.
- 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. Besides, the data showed unrealistic prices with huge variation in prices, which was strange and in-valid. Identical / similar goods value methods provided in section 25 (5) & (6) was also not found applicable for determination of customs values for the same reason. Comparison of value was also drawn in the light of prices of basic constituent materials which has indicated slight price variation from the values given in the earlier valuation ruling. Therefore, findings of enquiry as envisaged under section 25(7) of the Customs Act, 1969 had been adopted to determine custom values for Welding Electrodes (MS, SS, Bronze), which was also supportive of the aforesaid position in this case.
- 3. Evidence used to determine custom values** Meeting was held with stakeholders on 04-12-2012 and 19-12-2012. Accordingly, evidence furnished and results of enquiry were used in and accordingly section 25(7) of the Customs Act, 1969 to determine the following customs values of the goods in question.



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4. Customs values for WELDING ELECTRODES (MS, SS, BRONZE) 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 Values
(1)	(2)	(3)	(4)	(5)	(6)
01.	MS Welding Electrodes AWS E 6013	8311.1000	8311.100.1010	All Origin	US\$ 0.84/Kg
02.	MS Welding Electrodes AWS E 7018	8311.1000	8311.100.1010	All Origin	US\$ 0.89/Kg
03.	SS Welding Electrodes	8311.1000	8311.100.1010	All Origin	US\$ 2.70Kg
04.	Bronze Welding Electrodes	8311.1000	8311.100.1010	All Origin	US\$ 7.68/Kg

5. **Validity of this Valuation Ruling** The customs values determined in this Ruling shall continue to be the applicable customs values 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 values determined in the Ruling. *In cases where declared values are more than the customs values determined in the Ruling or the difference of freight between air transport and sea transport, when taken into account, raises the customs values above those determined in this Valuation Ruling, the concerned assessing officer shall apply such higher values in terms of section 25(I) 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.

(Dr Zulfiqar Ahmad Malik)
Director

Copy for information to:-

- (1) S.A. to Chairman, F.B.R., Islamabad.
- (2) Member (Customs), F.B.R., Islamabad.
- (3) Chief Collector of Customs (South), Custom House, Karachi.
- (4) Chief Collector of Customs (North), Custom House, Islamabad.