



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

**DETERMINATION OF CUSTOMS VALUES OF PORCELAIN
INSULATOR/BUSHING FOR POWER TRANSFORMER (H.S.CODE NO.
8504.9020 & 8546.2000) UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969.**

(VALUATION RULING NO. 729/2015)

No. Misc/20/2007-VII

18847

Dated: May 14/2015

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Porcelain Insulators and Bushing for Power Transformer are determined as follows:

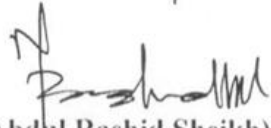
- 1. Background of the valuation issue:** Customs values of Disc Porcelain Insulators and Pin Porcelain Insulators were determined under Section 25-A of the Customs Act, 1969, vide letter No.Misc/12/2007-VA/3133 dated 09-07-2007. M/s. Emco Industries Limited, Lahore made several representations in the Valuation Department to re-determine Porcelain Insulator/Bushing for power transformer values to correctly reflect international prices. It was also stated that Porcelain Insulators are covered under Code 8546.2000, while, some clearance have been done under HS code 8504.9020 which pertains to Bushing for Power Transformer and is applicable for voltage 132KVA and above. They agitated that certain unscrupulous elements are involved in under invoicing and misuse of classification and hurting their business. Therefore, an exercise to determine the customs values of the subject goods under section 25A was initiated.
- 2. 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 required information under the law was not available. 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 the same could not be relied upon. In the sequential order this office then resorted to conduct a market inquiry in terms of Sub-Section (7) of Section 25 of the Customs Act, 1969. Stakeholder meetings were also conducted for their input and feedback. On-line values were also checked. All the information was analyzed and evaluated. Customs values of Electrical Porcelain Disc Insulator, Pin Insulator and Bushing for power transformer are determined under sub-section (9) of Section 25 of the Customs Act, 1969.



3. **Stakeholders' participation:** Meetings were held with stakeholders including the representatives of importers, local manufactures, clearance Collectorates, Karachi Chamber of Commerce and Industry, and trade bodies on 02.04.2015 and 15.04.2015 for their input on the subject issue. In the meetings all issues relating to Porcelain Insulator/Bushing for Power Transformer values were discussed in detail.
4. **Customs values for Electrical Porcelain Disc Insulator, Pin Insulator and Bushing for power transformer:** Electrical Porcelain Disc Insulator, Pin Insulator and Bushing for power transformer *hereinafter specified* shall be assessed to duty/ taxes at the following Customs values:-

S.No.	Description of goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$ per Kg
(1)	(2)	(3)	(4)	(5)	(6)
01.	Bushing for Power Transformer	8504.9020	8504.9020.1000	China	US\$ 2.00/kg
02.	Electrical Porcelain Disc Insulator	8546.2000	8546.2000.1000	China	US\$ 2.00/kg
03.	Electrical Porcelain Pin Insulator	8546.2000	8546.2000.1100	China	US\$ 7.00/kg

5. 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 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 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 (1) or (3) of Section 25-A or section 24-D of the Customs Act, 1969.
7. **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 issuance of this Ruling, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.
8. The Collectors of Customs may kindly ensure that the values given in the 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 for redressal.


 (Abdul Rashid Sheikh)
 Director

Copy for information to :-

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
9. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General Internal Audit, (Customs), Islamabad.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading this Ruling in the system.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st floor, Custom House, Karachi.
21. Guard File.