

The Collectors of Customs, Collectorates of Customs (Appraisement – West)/ Appraisement – East / SAPT / Appraisement – Port Muhammad Bin Qasim / Enforcement / JIAP), Karachi / Hyderabad/ (Appraisement/Enforcement), Quetta/Gawadar/ Khuzdar (Appraisement/ Enforcement/ AIIA), (Appraisement East/West), Lahore, Faisalabad/ Appraisement, Sargodha/ Enforcement, Sambrial (Sialkot)/ Enforcement, Multan/ Islamabad/ Gilgit-Baltistan/ (Appraisement/ Enforcement), Peshawar/ Enforcement, Dera Ismail Khan/Exports (Port Qasim/Custom House, Karachi)/Transit Trade. Karachi.

DETERMINATION OF CUSTOMS VALUES OF OLD AND USED MOBILE PHONES (WITHOUT ANY PACKING AND ACCESSORIES) IN COMMERCIAL QUANTITY UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1893 /2024)

No. Misc/01/V-KHI/2024/VII/640

Dated: 27-06-2024

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs values of Old and Used Mobile Phones (without any packing and accessories) in commercial quantity are determined as follows:

2. **Background of the valuation issue:** Earlier, the Customs values of Old and Used Mobile Phones (without any packing and accessories) in commercial quantity were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.1858/2024 dated 28-02-2024. This Valuation Ruling was challenged under Section 25D before Director General, Customs Valuation, Karachi who passed Order in Revision No. 26/2024 dated 23-05-2024. Operative para of the same is reproduced as under:

"In view of the foregoing it shall be in fitness of things that the issue be addressed afresh while considering above findings. The impugned ruling warrants modification at the end of the respondent. The case is remanded to the respondent for de-novo consideration of the impugned Ruling preferably within three weeks and for issuance of new Valuation Ruling after affording the opportunity of hearing to the stakeholders. The impugned Valuation Ruling shall hold field till issuance of the new Valuation Ruling."

Therefore, an exercise was initiated by the Directorate of Customs Valuation, Karachi to re-determine the Customs values of the subject goods in terms of Section 25A of the Act, 1969.

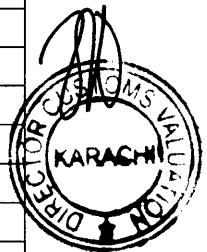
3. **Analysis / Exercise done to determine Customs Values:** In this regard, a meeting dated 07-06-2024 was held in the Directorate of Customs Valuation, Karachi, which was attended by the relevant stakeholders. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meeting. Ninety (90) days' clearance data has been retrieved and the same has been scrutinized. Market inquiry was conducted and examined in the light of this Directorate's Office Order No.17/2014 dated 19-03-2014 and in terms of Section 25 (7) read with Section 25(9) of the Customs Act, 1969.



4. **Method (s) adopted to determine Customs values:** Valuation methods specified in Section 25 of the Customs Act, 1969, are duly considered in sequential order to arrive at the Customs values of subject goods. The transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969, was found inapplicable due to absence of information as required under sub-section (2) of Section 25 of Customs Act, 1969. Therefore, identical goods value method provided in Section 25(5) was examined for applicability to determine Customs values of subject goods. However, it was found that the same could not be solely relied upon due to absence of demonstrable evidences of quantities and qualities. Information available was, hence, found incomplete. Subsequently, similar goods value method provided in Section 25(6) was also examined for applicability to determine Customs values of subject goods. The import data of Old and Used Mobile Phones for the last 90 days was examined. However, Declared Values (DV) of both identical and similar goods showed consistent variations. Hence, this method was also found inapplicable. Market enquiry as envisaged under Sub-Section (7) of Section 25 of the Customs Act, 1969 was also conducted but could only yield results to some extent because of variations in market prices. In line with statutory sequential order of section 25, Computed value method, as provided in Section 25(8) of the Customs Act, 1969 was examined, but the same was found inapplicable since no question of constituent materials, allied expenses and manufacturing of Old and Used Mobile Phones arises. Finally, the Customs values of the subject goods have been determined under Section 25(9), read with Section 25(7), and Customs Rule 121(2) of Customs Rules, 2001 which provides that the methods of valuation, to be employed under sub-section (9) of section 25 of the Customs Act, 1969 may be inclusive of those laid down in sub-sections (1), (5), (6), (7) and (8) of the said section, but a reasonable flexibility in the application of such methods would be in conformity with the aims and provisions of sub-section (9) of that section.

5. **Customs Values of Old and Used Mobile Phones (without any packing and accessories) in commercial quantity:** hereinafter specified, shall be assessed to duty / taxes at the Customs values as per following Table:

S/No.	Brand	Model	Customs Value C&F in USD \$/Piece
1	APPLE	USED IPHONE 13 PRO MAX	430
2	APPLE	USED IPHONE 13 PRO	360
3	APPLE	USED IPHONE 13	280
4	APPLE	USED IPHONE 12 PRO MAX	340
5	APPLE	USED IPHONE 12 PRO	280
6	APPLE	USED IPHONE 12	185
7	APPLE	USED IPHONE 11 PRO MAX	245
8	APPLE	USED IPHONE 11 PRO	185
9	APPLE	USED IPHONE 11	155
10	APPLE	USED IPHONE XS MAX	150
11	APPLE	USED IPHONE XS	100
12	APPLE	USED IPHONE XR	90
13	APPLE	USED IPHONE X	75
14	APPLE	USED IPHONE 8 PLUS	70
15	APPLE	USED IPHONE 8	50
16	APPLE	USED IPHONE 7 PLUS	65



17	APPLE	USED IPHONE 7	45
18	APPLE	USED IPHONE SE (3RD GENERATION)	90
19	APPLE	USED IPHONE SE (2ND GENERATION)	70
20	APPLE	USED IPHONE SE	65
21	SHARP	USED SHARP AQUOS R3	65

Note 1: Old and Used Mobile Phone (without any packing and accessories) of models specified in Column (3) above, imported in commercial quantity, shall be assessed on the Customs values given in Column (4) above. These Customs values are applicable regardless of any specific grade of the used mobiles specified in Column (3) above.

Note 2: Old and Used Mobile Phone should be activated 6 months before exportation to Pakistan which should be declared by the importer and verified by the respective assessing officers of the Collectorate.

Note 3: For assessment of brands and models of Old and Used Mobile Phones which are imported in commercial quantity but are not mentioned in table above, the clearance Collectorates are advised to assess those under Section 25 (5) & (6) of the Customs Act, 1969

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 officers shall take into account the difference between air freight and sea freight while applying the Customs values in this Ruling.

7. **Validity of this Valuation Ruling:** This Ruling, containing the Customs values for assessment of subject imported goods, shall be applicable until and unless the same are rescinded or revised by the competent authority in terms of sub-section (4) of Section 25A of the Customs Act, 1969.

8. **Revision of the values determined vide this Valuation Ruling:** If aggrieved, 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 its issuance, 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 this Valuation Ruling are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of this Directorate immediately. Customs values determined in the Ruling are for the description and specification as mentioned in the table of this Ruling. 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 requisite formalities related to importability or any other certifications required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.

10. ***This Ruling supersedes Valuation Ruling No.1858/2024 dated 28-02-2024.***


(Fayaz Rasool Maken)
Director

Copy for information to: -

- 1) The Member Customs (Operations), Federal Board of Revenue, Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) The Chief Collector of Customs, Appraisalment (South), Custom House, Karachi.
- 4) The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
- 5) The Chief Collector of Customs, Appraisalment (Central), Custom House, Lahore.
- 6) The Chief Collector of Customs, Enforcement (Central), Custom House, Lahore.
- 7) The Chief Collector of Customs (North), Custom House, Islamabad.
- 8) The Chief Collector of Customs, Baluchistan, Custom House, Quetta.
- 9) The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
- 10) The Director General, Intelligence and Investigation (Customs), FBR, Islamabad.
- 11) The Director General, PCA & Internal Audit, Karachi.
- 12) The Director General, IOCO, Karachi
- 13) The Director, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/
Peshawar/ Faisalabad.
- 14) The Director, Transit Trade, Custom House Karachi
- 15) The Director, Directorate of Customs Valuation, Lahore/Quetta/Peshawar.
- 16) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for
uploading in One Customs & WeBOC database system.
- 17) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 18) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad,
Quetta & Peshawar.
- 19) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 20) The Webmaster, Federal Board of Revenue, Islamabad.
- 21) Guard File.