



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
7TH FLOOR, CUSTOM HOUSE
KARACHI

Phone: 021-99214144

C. No. Misc/05/2024-VII/1019

Dated: 03-10-2024

VALUATION RULING NO. 1908 / 2024

1. This Ruling shall be applicable until the same is rescinded or revised in terms of sub-section (4) of Section 25A of the Customs Act, 1969.
2. The revision petition against this Valuation Ruling, can be filed under Section 25D of the Customs Act, 1969, within 30 days before the Director General, Customs Valuation.
3. The values in valuation ruling shall be treated as minimum benchmark values and shall be applicable to the given description and specification of goods.

Subject: DETERMINATION OF CUSTOMS VALUE OF POWER TOOLS UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.

1.	Dates of meetings with stakeholders	The meetings with relevant stakeholders were conducted on 22.04.2024 , 07.08.2024 and 05.09.2024
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2. **Background of the Issue:** In pursuance of analysis of import data, current market trends, the difference in market prices and customs values, an exercise for the determination of customs values of subject goods was initiated under Section 25 and 25A of the Customs Act, 1969.

3. **Analysis to determine Customs Values:** The stakeholders contented that there is huge under invoicing of power tools in Pakistan by certain importers which can be verified from PRAL Data. The market inquiry and international publication prices confirmed the values are on higher side.

4. **Method (s) adopted to determine Customs values:** To determine the transaction values of goods, valuation methods specified in Section 25 of the Customs Act, 1969, were 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 power tools 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. The deductive valuation methods as envisaged under Sub-Section (7) of Section 25 of the Customs Act, 1969 was relied upon to determine actual transaction value of goods. A market inquiry has been conducted in the light of this Directorate's office order No. 17/2014 dated 19.03.2014 and the values in international market were also re-confirmed through the QY research report.



5. Customs values for Power Tools – In light of above, the customs values of power tools are determined and *hereinafter specified* shall be the customs value for assessment of duty / taxes given against them in the Table below: -

Sr. No.	Description of Goods	PCT Code	Proposed PCT Code for WeBOC	Origin	Customs Values (C&F) USS/Piece		
					(1)	(2)	(3)
(1)	(2)	(3)	(4)	(5)	(6)		
					Category A	Category B	Category C
1	Angle Grinder used with 100mm disc	8467.2900	8467.2900.1000	All Origins	30.0	10.0	6.0
2	Angle Grinder used with 125mm disc	8467.2900	8467.2900.1100		36.0	12.0	7.0
3	Angle Grinder used with 180mm disc	8467.2900	8467.2900.1200		75.0	25.0	15.0
4	Angle Grinder used with 230mm disc	8467.2900	8467.2900.1300		84.0	28.0	17.0
5	Lithium ion Angle Grinder (without battery)	8467.2900	8467.2900.1400		78.0	26.0	16.0
6	Lithium ion Angle Grinder (with battery)	8467.2900	8467.2900.1500		150.0	50.0	30.0
7	Die Grinder, Input Power: 200W	8467.2900	8467.2900.1600		36.0	12.0	7.0
8	Impact Wrench, Input Power :1050W	8467.2900	8467.2900.1700		117.0	39.0	23.0
9	Lithium ion Impact Wrench	8467.2900	8467.2900.1800		150.0	50.0	30.0
10	Demolition Breaker, Input Power:1300W	8467.2900	8467.2900.1900		126.0	42.0	25.0
11	Demolition Breaker, Input Power:1700W	8467.2900	8467.2900.2000		234.0	78.0	47.0
12	Rotary Hammer, Input Power:650W	8467.2900	8467.2900.2100		63.0	21.0	13.0
13	Rotary Hammer, Input Power:800W	8467.2900	8467.2900.2200		78.0	26.0	16.0
14	Rotary Hammer, Input Power:1050W	8467.2900	8467.2900.2300		90.0	30.0	18.0
15	Rotary Hammer, Input Power:1800W	8467.2900	8467.2900.2400		120.0	40.0	24.0
16	Lithium ion Rotary Hammer	8467.2900	8467.2900.2500		210.0	70.0	42.0
17	Electric Drill, Input Power:450W	8467.2100	8467.2100.1000		27.0	9.0	6.0
18	Impact Drill, Input Power:810W	8467.2100	8467.2100.1100		36.0	12.0	7.0
19	Lithium ion Impact Drill	8467.2100	8467.2100.1200		90.0	30.0	18.0
20	Lithium ion Cordless Drill	8467.2100	8467.2100.1300		60.0	20.0	12.0
21	Circular Saw, Input Power: 1400W	8467.2200	8467.2200.1000		72.0	24.0	15.0
22	Lithium ion Circular Saw	8467.2200	8467.2200.1100		84.0	28.0	17.0



23	Chain saw	8467.8100	8467.8100.1000	153.0	51.0	31.0
24	Jig saw, Input Power: 400 W	8467.2900	8467.2900.2600	33.0	11.0	7.0
25	High-Pressure Washer Jet Project, Input Power:1200W	8424.3000	8424.3000.1000	75.0	25.0	15.0
26	Heat Gun, Input Power:2000W	8467.2900	8467.2900.2700	27.0	9.0	6.0
27	Cordless-Screw Driver	8467.2900	8467.2900.2800	27.0	9.0	6.0
28	Blower, Input Power:400W	8414.5910	8414.5910.1000	21.0	7.0	5.0
29	Lithium ion Blower	8414.5910	8414.5910.1100	27.0	9.0	6.0
30	Marble Cutter, Input Power:1400W	8467.2900	8467.2900.2900	66.0	22.0	13.0
31	Orbital Sander	8467.2900	8467.2900.3000	45.0	15.0	9.0
Category A: The values mentioned at Column 6(A) are for brands of Power Tools: Bosch, Makita, Hitachi, AEG, Dewalt, Black & Decker, Milwaukee, Hyundai, Daewoo, Siemens						
Category B: The values mentioned at Column 6(B) are for brands of Power Tools: Ingco, Total, EM top, Goacheng, Doncheng, Sancan, Jadewar, Crown, Boda, DCA, Uyus Tools, SMT, Wika, Hoteche, Ronix, Prescote, Energizer, Wadfow						
Category C: The values mentioned at Column 6(C) are for other low end brands.						

6. In cases, where declared values or values in invoice retrieved from the consignment, as the case may be, are higher than the customs values determined in this valuation ruling, the assessment shall be made on higher values in terms of sub-section (1) of Section 25 of the Customs Act, 1969.

7. In case of consignments imported by air, the difference between air freight and sea freight shall be added for the assessment of value.

8. The VR shall be applicable for the descriptions and specifications of goods as mentioned in the aforementioned table. HS Codes are mentioned for illustrative purposes.

9. The Collectorates of customs shall ensure the implementation of VR and in case of any anomaly may be brought to the notice of this Directorate immediately.


(Sanullah Abro)
Director

Copy for necessary action and implementation:

The Collectors / Directors of Customs, Collectorates / Directorates of Customs (Appraisalment-West / East / SAPT / PMBQ / JIAP / Enforcement/), Karachi / Hyderabad / (Appraisalment / Enforcement / Ports), Quetta / Gwadar / Khuzdar (Appraisalment / Enforcement / AIIA), (Appraisalment-East / West, Lahore / Faisalabad Appraisalment / Enforcement, Sargodha / Enforcement & Appraisalment, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisalment/ Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim/Custom House, Karachi) / Transit Trade, Karachi.

Copy for information:

- 1) The Member Customs (Operations), F.B.R., Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) All Chief Collectors / Director Generals of Customs, Karachi / Lahore / Islamabad / Quetta / Peshawar.
- 4) All Collectors / Directors of Customs, Karachi / Lahore / Islamabad / Quetta / Peshawar / Faisalabad.
- 5) The Director, Directorate of Customs Valuation, Lahore / Quetta / Peshawar.

- 6) The Deputy Director (MIS), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 7) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 8) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 9) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 10) The Webmaster, Federal Board of Revenue, Islamabad.
- 11) Guard File.

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