

① *Mc. Appraisal*

*SL. NO. 78/2011-Policy-2-6-11*



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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RULING U/S 25-A NO. 330

Dated 31-05-2011



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The customs value determined under this Valuation Ruling shall be applicable customs value for assessment of the relevant goods until and unless revised or rescinded by the competent authority.

Review application against this valuation ruling may be filed before the Director-General of Valuation under Section 25D of the Customs Act, 1969, within thirty (30) days from the date of determination of customs value under this ruling.

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

SUBJECT : DETERMINATION OF CUSTOMS VALUE FOR THE COMPONENTS OF SPLIT AIRCONDITIONERS UNDER SECTION 25A OF THE CUSTOMS ACT, 1969



In view of representation received from M/s. Pakistan HVAC & R Spare Parts Traders Association, Karachi, and Order-In-Review No.39/2010, dated 15-09-2010, an exercise was undertaken to re-consider the earlier determined Customs Values of Components for assembly of Split Airconditioners, issued on 11-05-2010.

2. Meetings with all stakeholders was held on 21-10-2010, 11-11-2010, 09-12-2010, 08-04-2011 and finally on 11-05-2011. All the stakeholders were invited to attend the meetings and also informed telephonically for their input on the issue. The representatives of M/s. New Allied Industries (Pvt) Limited, M/s.Dawlance (Pvt) Limited and M/s.Pakistan Electronic Manufacturers Association, attended the meetings but nobody appeared from the side of M/s. HNR Company (Pvt) Ltd, nor any written submissions was received from them. However, during the meeting the attending participants were of the view that since there is no change in cost of raw materials in the international market, cost of manufacturing, duty and tax structure and local assembling charges etc; therefore, the existing Valuation Ruling may be maintained.

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Written proposals from all the stakeholders were also requested. M/s.Cool Industries Limited, Lahore, M/s.Orient Group of Companies, Lahore, M/s.Dawlance (Pvt) Limited, Karachi, M/s.New Allied Electronic Industries (Pvt) Limited, Karachi, and Pakistan Electronics Manufacturers Association, Karachi, submitted their suggestions. Comparison of import data of components and prices of components submitted by stakeholders indicated that there was nominal increase in the value of components of China origin as compared with values determined vide previous ruling. The prices submitted by stakeholders were also compared with import data of identical and similar goods in terms of Section 25(5) & (6) of the Act through local market inquiry, under Section 25(7) of the Act, and it was observed that none of these methods could independently be adopted for value determination. Since, cost of manufacturing in the country of exports was not readily available, therefore, computed valuation method, in terms of Section 25(8) of the Act was also ruled out. In view of the above situation, Fall Back Method, as envisaged under Section 25(9) of the Customs Act, 1969, was resorted to and accordingly following customs values have been determined as detailed in the table below:-



(1)	Description	H.S.Code	Customs Value U/S 25A (China origin)				
			US\$/PC 12000 BTU	US\$/PC 18000 BTU	US\$/PC 24000 BTU	US\$/PC 48000 BTU	US\$/PC 60000 BTU
(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1	AXIAL FAN FOR SPLIT A/C	8415.5190	3.78	5.36	6.84	13	25
2	TERMINAL BLOCK FOR SPLIT A/C	8415.9099	10.11	14.21	18.15	35	50
3	SINGLE PHASE A.C. MOTOR (OUT- DOOR) FOR SPLIT A/C	8501.4090	8.75	10.94	13.68	22	40
4	SINGLE PHASE A.C. MOTOR (IN-DOOR) FOR SPLIT A/C	8501.4090	8.00	11.00	12.00	14	20
	REMOTE CONTROL FOR SPLIT A/C	8543.7010	7.36	7.36	7.36	8	10
	CROSS FLOW FAN (IN-DOOR UNIT) FOR SPLIT A/C	8414.5190	3.96	5.00	6.07	8	20

7.	CONDENSER FOR SPLIT A/C	8415.9029	15.26	21.47	28.42	111	135
8.	EVAPORATOR FOR SPLIT A/C.	8415.9019	22.47	23.36	29.75	86	110
9.	COVER FOR INNER BODY WITH LOUVER FOR SPLIT A/C.	8415.9030	12.05	17.06	22.10	113	125
10	COMPRESSOR FOR SPLIT A/C	8414.3010	88.00	106.00	206.00	318	433

(The above values are for China origin only, for the import other than China 20% loading will be added on the above determined values, for all other origins)

4. The aforesaid values are determined under Section 25A of the Customs Act, 1969, for implementation. All the clearance Collectorates are advised to ensure the assessment of the goods as per above determined values. However, if the declared / invoice value is higher, the same shall be applied for assessment purpose, under Section 25 of the Customs Act, 1969.

*Muhammad Tahir*  
(MUHAMMAD TAHIR)  
DIRECTOR

Distribution

1. S.A to Chairman, Federal Board of Revenue, Islamabad.
2. Member (Customs), Federal Board of Revenue, Islamabad.
3. Chief Collectors of Customs (North/South), Lahore/Karachi.
4. The Director General of Intelligence Investigation-FBR, Islamabad.
5. The Director General of Customs Valuation, Karachi.
6. The Director General of Post Clearance Audit, Karachi.
7. The Directors of Intelligence Investigation-FBR, Karachi/ Lahore/ Islamabad.
8. The Deputy Director (Hqs.), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & PaCCS database on the date of issue of this ruling.
9. Chairman (Valuation Committee), FPCC&I, Federation House, Karachi.
10. Chairman (Valuation Committee), KCC&I, Awan-e-Tijarat Road, Karachi.
11. Karachi Customs Agents Group (KCAAG), Bohri Road, Karachi
12. Guard File.

*Muhammad Asif Islam*  
03/06/2011

Muhammad Asif Islam  
Office Secretary  
Karachi Customs Agents Association

*M. J. J. J.*  
24/06/2011

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