

① NCC/Appraisement, SL.No.86/2011(A) Policy
07-14-6-2011



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

RULING US25-A NO. 333

Dated 07-06-2011

No.Reg./Misc 31/2007-VITA

Note

(1) 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Valuation Ruling shall be applicable customs value for assessment of the relevant goods until and unless revised or rescinded by the competent authority.

Revision petition / 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 issuance of this ruling.

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

Subject: DETERMINATION OF CUSTOMS VALUE OF MOTORCYCLE PARTS AND COMPONENTS OF CHINESE ORIGIN, UNDER SECTION 25A OF THE CUSTOMS ACT, 1969

Consequent upon issuance of Valuation Ruling No 307, dated 26-03-2011, M/s Ahmad Automobiles Co; and Pakistan Association of Automotive Parts and Accessories Manufacturers (PAAPAM), made representations, for revision of the ruling, on the grounds that it was discriminatory and included parts and components of OEMs brand only, and that parts and components imported by the commercial importers were not covered under the ruling.

2. Accordingly, in order to include the unbranded parts and components in the ruling, the stakeholders were invited for meeting to take their input, on 07-05-2011, which was attended by representatives of OEMs, commercial importers, members of Pakistan Automotive Manufacturers Association (PAMA) and the complainants who furnished documents in support of their viewpoints. Representative of KCCI also participated in the meeting. Resultantly, an exercise was undertaken to determine the values of Motor Cycle parts and components of China Origin.

Physical import data of Motor Cycle parts of Chinese origin was also examined under Section 25 (5) & (6) of the Customs Act, 1969, and observed that it could not be relied upon due to various distortions in the declared unit of measurement (UOM). Hence, the weight of each parts of motorcycle item was taken as benchmark for determination of



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value in Kilogram (KG), as UOM in the Pakistan Customs Tariff is in KG. This mechanism was also adopted during market survey i.e. values were obtained in pieces and converted into KG to arrive at fair value.

4. Moreover, by following the valuation methods in sequence, it was felt that deductive value method under sub-section (7) of Section 25 of the Customs Act, 1969, could not be relied upon as the goods available in the market reflected the under invoiced values at import stage. Computed value method, as envisaged under sub-section (8) of Section 25 of the Act, also could not be applied, as the cost of raw materials and fabrication charges under clause (a) and amount of profit and general expenses under clause (b) of Section 25 (8) of the Act, in the country of export, could not be ascertained

5. Meanwhile, representations were received from M/s Ahmad Automobiles Co; and Pakistan Automotive Manufacturers Association (PAMA), for correction of some typographical mistakes in the weight of certain Motor Cycle parts/components, as adopted in the earlier Valuation Ruling No 307, dated 26-03-2011, relating to OEMs brand parts/components. Their contention was examined and found correct. Accordingly, errors and omissions were removed and values of Motor Cycle parts /components of China Origin were determined under fall back method as envisaged under Section 25 (9) of the Customs Act, 1969 and the values so determined, for OEMs brands and commercial brands were duly indicated in column (5) and (6) respectively, in the Table below. The instant Valuation Ruling supersedes the earlier Valuation Ruling No 307, dated 26-03-2011 whereby customs values of OEMs brands of various Motor Cycle parts were determined.

S. No.	Description of Goods	H. S. Code	Origin	Customs Value(C&F) OEM Brands US\$ / Kg	Customs Value (C&F) Commercial Brands US\$ / Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	Crank Case (L) 1540 grams	8711.9111	China	\$ 5.45/Kg	\$ 4.09/Kg
2	Crank Case (R) 1198 grams	8711.9111	China	\$ 5.87/Kg	\$ 4.40/Kg
3	Carburator 554 grams	8409.9140	China	\$ 13.00/Kg	\$ 9.75/Kg
4	Magneto 1504 grams	8511.2010	China	\$ 4.45/Kg	\$ 3.34/Kg
5	C.D.I. Unit 67 grams	8532.3010	China	\$ 13.54/Kg	\$ 10.15/Kg
6	Crank Case Cover (R) 996 grams	8409.9111	China	\$ 3.15/Kg	\$ 3.86/Kg
7	Crank Case Cover (L) 320 grams	8409.9111	China	\$ 3.45/Kg	\$ 4.09/Kg



8	Crank Shaft (R) & (L) 1965 grams	8483.1012	China	\$ 2.30/Kg	\$ 1.72/Kg
9	Cylinder Head 1730 grams	8409.9130	China	\$ 5.34/Kg	\$ 2.07/Kg
10	Drum Gear Shift 560 grams	8714.1990	China	\$ 2.85/Kg	\$ 2.14/kg
11	Brake Shoe 200grams	8714.1910	China	\$ 1.55/Kg	\$ 1.20/Kg
12	Hub Front 1110grams	8714.1910	China	\$ 2.57/Kg	\$ 1.93/Kg
13	Hub Rear 1340grams	8714.1910	China	\$ 3.21/Kg	\$ 2.41/Kg
14	Key Lock Set (5 Pcs) 475grams	8301.2010	China	\$ 3.68/Kg	\$ 2.76/kg
15	Ignition Coil 248grams	8511.3010	China	\$ 2.78/Kg	\$ 2.08/Kg
16	Rectifier Regulator 72grams	8714.1910	China	\$ 10.20/Kg	\$ 7.65/Kg
17	Main Shaft Transmission II T 180grams	8483.1019	China	\$ 5.69/Kg	\$ 4.27/Kg
18	Counter Shaft Transmission 178 grams	8483.1019	China	\$ 5.22/Kg	\$ 3.92/Kg
19	Spindle Gear Shaft 304grams	8483.1012	China	\$ 1.50/Kg	\$ 1.20/Kg
20	Insulator Carburetor 5grams	8409.9140	China	\$ 13.60/Kg	\$ 10.20/Kg
21	Spark Plug 29 grams	8511.2000	China	\$ 6.61/Kg	\$ 4.96/Kg
22	Ring Piston Top 2 ND Oil 4grams	8409.9010	China	\$ 10.00/Kg	\$ 7.50/Kg
23	Cam Chain 89grams	8409.9140	China	\$ 2.24/Kg	\$ 1.68/Kg
24	Bolt Flange 6x40 13grams	7318.1590	China	\$ 3.14/Kg	\$ 2.35/Kg
25	Bolt Flange 6x65 11grams	7318.1590	China	\$ 3.63/Kg	\$ 2.72/Kg
26	Bolt Flange 6x22 7grams	7318.1590	China	\$ 3.94/Kg	\$ 2.95/Kg
27	Bolt B-Cylinder Stud 36.5grams	7318.1590	China	\$ 1.50/Kg	\$ 1.20/Kg
28	Bolt A-Cylinder Stud 38grams	7318.1590	China	\$ 3.68/Kg	\$ 2.76/Kg
29	Spring Cam Chain Tensioner 4grams	7320.9090	China	\$ 3.75/Kg	\$ 2.81/Kg
30	Spring Clutch Lever 5grams	7320.9090	China	\$ 11.00/Kg	\$ 8.25/Kg



31	Spring Gear Shift Return 20grams	7320.9090	China	\$ 1.50/Kg	\$1.20/Kg
32	Spring Kick Starter 77.5grams	7320.9090	China	\$ 1.50/Kg	\$ 1.20/Kg
33	Spring Valve Inlet 10grams	7320.9090	China	\$ 3.00/Kg	\$ 2.25/Kg
34	Spring Valve Outer 20grams	7320.9090	China	\$ 2.00/Kg	\$ 1.50/Kg
35	Valve Inlet 21grams	8409.9130	China	\$ 16.42/Kg	\$ 12.31/Kg
36	Valve Ex 19grams	8409.9130	China	\$ 5.26/Kg	\$ 3.94/Kg
37	Oil Through 4grams	8714.1990	China	\$ 25.00/Kg	\$ 18.75/Kg
38	Piston 87grams	8409.9111	China	\$ 5.74/Kg	\$ 2.76/Kg
39	Cover Cylinder Head L Side 60grams	8409.9111	China	\$ 28.67/Kg	\$ 21.50/Kg
40	Cover Cylinder Head R Side 78grams	8409.9111	China	\$ 29.74/Kg	\$ 22.30/Kg
41	Cover Cylinder Head Top 75grams	8409.9111	China	\$ 33.66/Kg	\$ 25.25/Kg
42	Wire Harness 352grams	8544.3011	China	\$ 2.55/Kg	\$ 1.91/Kg
43	Clutch Assembly 1131grams	8483.4012	China	\$ 3.02/Kg	\$ 2.26/Kg
44	Cylinder Body 2259 grams	8409.9111	China	\$ 1.50/Kg	\$ 1.20/Kg
45	Gear Counter Shaft Top 98grams	8483.4012	China	\$ 2.55/Kg	\$ 1.91/Kg
46	Gear Counter Shaft Third 152grams	8483.4012	China	\$ 1.64/Kg	\$ 1.23/Kg
47	Gear Counter Shaft Second 216grams	8483.4012	China	\$ 2.31/Kg	\$ 1.73/Kg
48	Gear Counter Shaft Low 195grams	8483.4012	China	\$ 1.53/Kg	\$ 1.20/Kg
49	Gear Main Shaft Top 78grams	8483.4012	China	\$ 2.24/Kg	\$ 1.68/Kg
50	Gear Main Shaft Third 108grams	8483.4012	China	\$ 2.08/Kg	\$ 1.56/Kg
51	Gear Main Shaft Second 78grams	8483.4012	China	\$ 1.60/Kg	\$ 1.20/Kg



6. The aforesaid values are accordingly determined in terms of section 25A of the Custom Act, 1969. The Collectorates are advised to ensure assessment on aforesaid values. However, if the declared /invoice value is higher, then the same shall be adopted for customs purpose in terms of 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 (Hqrs.), 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 (KCAG), Bohri Road, Karachi
12. Guard File.

M. Arshad

16/06/2011