



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

RULING U/S 25-A NO. 353

No. Mlsc/11/2007-IV/VIA/

Dated 12-07-2011

Note :

- i) 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Valuation Ruling shall be applicable customs value for assessment of the relevant goods until and unless revised or rescinded by the competent authority.
- ii) 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 Customs Collectorates, (Appraisement/ PaCCS/ Port Qasim/ Preventive), Karachi/ Lahore/ Sambrial (Sialkot)/ Faisalabad/ Multan/ Islamabad/ Hyderabad/ Quetta/ Peshawar.

Subject : CUSTOMS VALUE OF WELDING ELECTRODES (MS, SS, BRONZE)
UNDER SECTION 25A OF THE CUSTOMS ACT, 1969



Values of Welding Electrodes were determined vide Valuation Ruling No. 197, dated 26-11-2009, and No. 249, dated 27-04-2010. However, the same were taken up for revision as the international market prices of all steel products have since changed.

2. Meetings of all stakeholders were held on 09-05-2011, 02-06-2011, 18-06-2011 & 23-06-2011 which were attended by the representatives of KCC&I, local manufacturers and importers. The contention of the local manufacturers was that as the price of Wire Rods (basic raw material of Welding Electrodes) has been increased, therefore, according to the raw material, prices of Welding Electrodes should also be enhanced. The importers contended that the prices increased only about 5% and the same should be ignored and previous valuation ruling should be maintained for three months.

3. Import data was also consulted but due to vast variation in prices, the same could not be taken as a satisfactory benchmark for determination of value in terms of section 25 (1), (5) or (6). Similarly, deductive valuation method, as envisaged under Section 25 (7) of the Customs Act, 1969, could also not be resorted to, due to distortions in price prevailing in local market. Therefore, according to previous formula, as agreed by all stakeholders, values were calculated under Computed Value Method as

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envisaged under Section 25(8) of the Customs Act, 1969, on the basis of formula agreed by the participants. LMB prices of six countries of Wire Rods, from April to June, 2011 were taken. Customs Values are accordingly determined under Section 25A of the Customs Act, 1969, as under:

S.No.	Description	H.S.Code	Origin	Customs value
(1)	(2)	(3)	(4)	(5)
01.	M.S.Welding Electrodes AWS E - 6013 upto Size : 2.5 x 350MM	8311.1000	All Origins	US\$ 0.852/Kg
02.	M.S.Welding Electrodes AWS E - 6013 upto Size : 3.2 x 350MM	8311.1000	All Origins	US\$ 0.842/Kg
03.	M.S.Welding Electrodes AWS E - 6013 upto Size : 4.0 x 400MM	8311.1000	All Origins	US\$ 0.832/Kg
04.	M.S.Welding Electrodes AWS E - 6013 Size : 5.0 x 400MM & above	8311.1000	All Origins	US\$ 0.832/Kg
05.	M.S.Welding Electrodes AWS E - 7018 upto Size : 2.5 x 350MM	8311.1000	All Origins	US\$ 0.902/Kg
06.	M.S.Welding Electrodes AWS E - 7018 upto Size : 3.2 x 350MM	8311.1000	All Origins	US\$ 0.891/Kg
07.	M.S.Welding Electrodes AWS E - 7018 upto Size : 4.0 x 400MM	8311.1000	All Origins	US\$ 0.881/Kg
08.	M.S.Welding Electrodes AWS E - 7018 Size : 5.0 x 400MM & above	8311.1000	All Origins	US\$ 0.881/Kg
09.	S.S.Welding Electrodes upto Size : 2.5 x 350MM	8311.1000	All Origins	US\$ 3.193/Kg
10.	S.S.Welding Electrodes upto Size : 3.2 x 350MM	8311.1000	All Origins	US\$ 3.183/Kg
11.	S.S.Welding Electrodes upto Size : 4.0 x 400MM	8311.1000	All Origins	US\$ 3.173/Kg
12.	S.S.Welding Electrodes Size : 5.0 x 400MM & above	8311.1000	All Origins	US\$ 3.173/Kg
13.	Bronze Welding Electrodes upto Size : 2.5 x 350MM	8311.1000	All Origins	US\$ 10.991/Kg
14.	Bronze Welding Electrodes upto Size : 3.2 x 350MM	8311.1000	All Origins	US\$ 10.981/Kg
15.	Bronze Welding Electrodes upto Size : 4.0 x 400MM	8311.1000	All Origins	US\$ 10.971/Kg
16.	Bronze Welding Electrodes Size : 5.0 x 400MM & above	8311.1000	All Origins	US\$ 10.971/Kg



4. The above values are hereby determined under Section 25A of the Customs Act, 1969. All the Customs Collectories are advised to finalize the assessment on the values mentioned above. These values shall remain valid until revised. However, if the invoice value is higher than the value in this ruling, then such higher value shall be adopted for assessment under Section 25 of the Customs Act, 1969.


(MUHAMMAD FARID)
DIRECTOR

Copy for information to:

01. SA to Chairman, Federal Board of Revenue, Islamabad.
02. Member (Customs), Federal Board of Revenue, Islamabad.
03. Chief Collectors of Customs (North / South), Lahore / Karachi.
04. The Director General of Intelligence Investigation-FBR, Islamabad.
05. The Director General of Customs Valuation, Karachi.
06. The Director General of Post Clearance Audit, Karachi.
07. The Directors of Intelligence Investigation-FBR, Karachi / Lahore / Islamabad.
08. 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.
09. 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.