

**GOVERNMENT OF PAKISTAN
(REVENUE DIVISION)
CENTRAL BOARD OF REVENUE**

Islamabad, the 18th June, 2001

**NOTIFICATION
(CUSTOMS)**

S.R.O. 450(I)/2001.-¹[In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), section 50 of the Sales Tax Act, 1990, section 40 of the Federal Excise Act, 2005 and section 237 of the Income Tax Ordinance, 2001 (XLIX of 2001), the Federal Board of Revenue is pleased to make the following rules, namely:-]

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**CHAPTER IX
VALUATION**

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**SUB-CHAPTER-111
PRIMARY METHOD OF VALUATION**

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115. Restrictions which affect value.-If the sale or price is subject to some conditions or considerations for which a value cannot be determined with respect to the goods being valued, the transaction value shall not be acceptable for customs purposes. For examples:-

- (a) the seller establishes the price of the imported goods on condition that the buyer will also buy other goods in specified quantities;
- (b) the price of the imported goods is dependent upon the price, or prices, at which the buyer of the imported goods other goods to the seller of the imported goods; or
- (c) the price is established on the basis of a form of payment extraneous to the imported goods, such as when be imported goods are semi-finished goods which have been provided by the seller on condition that he will receive a specified quantity of the finished goods.

Explanation.-Conditions or considerations relating to the production or marketing of the imported goods shall not result in rejection of the transaction value. For example, the fact that the buyer furnishes the seller with engineering and plans undertaken in Pakistan shall not result in rejection of the transaction value. Likewise, if the buyer undertakes on his own account, even though by agreement with the seller, activities relating to the marketing of the imported goods, the value of these activities shall not be part of the value of imported goods nor shall such activities result in rejection of the transaction value.

¹ Existing preamble substituted and shall be deemed always to have been so substituted vide SRO 831(I)/2018 dated 2nd July, 2018. At the time of substitution was as under:-
“In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), the Central Board of Revenue is pleased to make the following rules, namely:--”