



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorates, Appraisalment (East / West) / Port Qasim / Preventive, Karachi / Lahore (Appraisalment / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan/Exports (Karachi/PQ).

**Determination of Customs Values of Lead Acid Batteries under
Section 25-A of the Customs Act, 1969**

(VALUATION RULING NO. /2017)

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No. Misc/04/2013-VII-Part-I

1822

Dated: March 22, 2017

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Lead Acid Batteries are determined as follows: -

2. **Background of the valuation issue:** Customs values of Lead Acid Batteries were determined under Section 25A of the Customs Act, 1969, vide Valuation Ruling No.723/2015, dated 03-03-2015 read with Corrigendum dated 18-03-2015. The Valuation Ruling required revision in line with the prevailing prices in the international market. Therefore, this Directorate General initiated an exercise for determination of Customs Values of Lead Acid Batteries.

3 **Stakeholders' participation in determination of Customs values:** A meeting with stakeholders was held on 20-03-2017. Importers had been requested to furnish the following documents before or during the course of meeting:

- Invoices of imports during last three months showing factual value.
- Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.

4. No documents were submitted in this Directorate General on or even after the said scheduled meetings. Market surveys were conducted for determination of the customs values.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at Customs Values of Lead Acid Batteries. Transaction value method provided in Section 25 (1) was found inapplicable owing to wide variation in the values being declared to the customs. Identical / similar goods value methods provided in Section 25 (5) & (6) were examined for applicability to the valuation issue in the instant case which provided some reference values of the subject goods but the same could not be exclusively relied upon due to wide variation in declared values of subject goods. Thereafter, market enquiry as envisaged under section 25(7) of the Customs Act, 1969, was conducted. For the purpose, different markets were surveyed repeatedly. The computed value method as provided in Section 25(8) of the Customs Act, 1969, could not be applied as the conversion costs from constituent material at the country of export were not available. Online values of subject goods were also obtained. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values.



Consequently, the Customs values of Lead Acid Batteries of various brands have been determined under Section 25(9) of the Customs Act, 1969.

6. **Customs values for Lead Acid Batteries:** Lead Acid Batteries, as specified herein, shall be assessed to duty/ taxes at the Customs values given are as under:-

S No.	Description of goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$ per Kg
(1)	(2)	(3)	(4)	(5)	(6)
01.	Lead Acid Batteries for Auto motives	8507.1010	8507.1010.1000	China Vietnam/ Sri Lanka/ Taiwan /Malaysia	2.00
02.			8507.1010.1100	Korea/ Thailand	2.25
03.	Lead Acid VRLA Batteries for Telephone Exchange (up to 2 Volts)	8507.2010	8507.2010.1000	China Vietnam/ Sri Lanka/ Taiwan/ Malaysia	1.98
				Korea/ Thailand	2.24
04	Lead Acid VRLA Batteries for Solar Bank (up to 2 Volts)	8507.2090	8507.2090.1000	China Vietnam/ Sri Lanka/ Taiwan/ Malaysia	1.98
				Korea/ Thailand	2.24
05.	Lead Acid OPZ Batteries	8507.2010 8507.2090	8507.2010.1200	China/ Vietnam/ Sri Lanka/ Taiwan/ Malaysia	3.80
06.			8507.2010.1300	Korea/ Thailand	4.20
			8507.2090.1300		
07.	Lead Acid VRLA Batteries for UPS & General purpose (Above 2 Volts)	8507.2090	8507.2090.1400	China/ Vietnam/ Sri Lanka/ Taiwan/ Malaysia	1.80
08.			8507.2090.1500	Korea/ Thailand	2.00

7. In cases where declared/transaction values are higher than the Customs values determined in this Ruling, the assessing officers shall apply those values in terms of Sub-Section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account the element of air freight while assessing the goods.

8. **Validity of this Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs value for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Sections (1) or (3) of Section 25-A of the Customs Act, 1969.

9. **Revision of the value determined vide this Valuation Ruling:** A revision petition may be filed against this Ruling, as provided under Section 25-D of the Customs Act, 1969, within 30 days from the date of issue of this ruling, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

10. The Collectors of Customs may kindly ensure that the values given in this Valuation Ruling for the given description of goods are applied by the concerned staff without fail. Any



anomaly observed may kindly be brought to the notice of this Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned in this Valuation Ruling. HS Codes are mentioned for illustrative purposes so that valuation ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.

11. *This Valuation Ruling supersedes Valuation Ruling No.723/2015, dated 03-03-2015 and its corrigendum dated 18-03-2015.*

(Dr. Wasif Ali Memon)
Director

Copy for information to: -

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in WeBOC database system and deleting Valuation Ruling No. 723/2015, dated 03-03-2015 and its corrigendum dated 18-03-2015.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment (East/West), Custom House, Karachi.
21. Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading FBR website and deleting Valuation Ruling No.723/2015, dated 03-03-2015 and its corrigendum dated 18-03-2015.
22. Guard File.