



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

Determination of Customs Values Of Tractor Parts
Under section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 128 / 2015)

No. Misc/25/2008-VIII / 8850

Dated: May 14, 2015

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

2. **Description of the valuation issue:** Customs values of Tractor Parts were determined under Section 25-A of the Customs Act, 1969, vide Valuation Ruling No.345/2011, dated 23-06-2011. Honorable Lahore High Court on March 05, 2015 ordered that pending applications of the petitioners shall be considered under section 25-A(4) Valuation Ruling. In compliance of Honorable Lahore High Court Lahore orders dated 05-03-2015 & 07-03-2015, that Department should treat the petitions as an application under Section 25-A(4) of the Customs Act, 1969, and consider the objections of the petitioners against the valuation ruling and decide the matter in accordance with law through a speaking order after hearing all the necessary parties within four weeks of receipt of certified copies of the order. Accordingly, proceedings were initiated and stakeholders meetings scheduled on 11-11-2014 and 08-04-2015. On 08-04-2015, with the consent of all present stakeholders it was decided to hold another stakeholders meeting to finally dispose of the applications. However, proceedings could not be completed due to certain requests of stakeholders as they were not available in the country. Deputy Registrar (Judicial), Lahore High Court was also informed accordingly. Subsequently another two meetings were scheduled on 05-05-2015 and 14-05-2015.

3. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed. Transaction value method provided in Section 25(1) was found inapplicable because the requisite information was not available as per law. Identical / similar goods value methods provided in Section 25(5) and (6) were examined for applicability to the valuation issue in the instant case which provided some reference values but was not applicable due to considerable variation in declared values among various imports of subject goods. Two detailed market inquires have been conducted under Section 25(7) of the Customs Act, 1969. Different stakeholders were invited for their input and feedback. All the available information was analyzed. Consequently, customs values of tractor parts are determined under Sub-Section (9) of Section 25 of the Customs Act, 1969

4. **Stakeholders' participation in determination of Customs values:** Meetings were held with stakeholders and importers including representatives of trade bodies on 11-11-2014, 08-04-2015, 05-05-2015 and 14-05-2015 to discuss the customs values of Tractor Parts.

5. **Customs values for Tractor Parts :** Tractor Parts *hereinafter specified* shall be assessed to duty / taxes at the following Customs Values :-



S. No.	Description	HS Code	Proposed PCT for WeBOC	(C&F) Value for China US\$ / Kg	(C&F) Values for Turkey & Brazil US\$ / Kg	(C&F) Values for other Origins US\$ / Kg
(1)	(2)	(3)	(4)	(5)	(6)	(7)
01.	Piston Set	8409.9910	8409.9910.1000	1.90	2.10	2.28
02.	Ring Set	8409.9910	8409.9910.1100	2.50	2.75	3.00
03.	Cylinder Blocks	8409.9910	8409.9910.1300	1.10	1.21	1.32
04.	Cylinder Heads	8409.9910	8409.9910.1400	1.10	1.21	1.32
05.	Cylinder Liners	8409.9910	8409.9910.1500	1.10	1.21	1.32
06.	Inlet & Exhaust Valves	8409.9920	8409.9920.1000	1.55	1.70	1.86
07.	Connecting Rods & Caps	8409.9920	8409.9920.1100	1.30	1.43	1.56
08.	Tappets, Push Rods & Rocker Arm	8409.9920	8409.9920.1200	1.80	1.98	2.16
09.	Rear End Housing	8409.9920	8409.9920.1300	1.30	1.43	1.56
10.	Fuel Pumps	8413.3020	8413.3020.1000	1.40	1.54	1.68
11.	Oil Pumps	8413.3020	8413.3020.1100	1.40	1.54	1.68
12.	Water Pumps Assembly	8413.3020	8413.3020.1200	1.20	1.32	1.44
13.	Main Shafts, Counter Shafts & Cam Shafts	8483.1011	8483.1011.1000	1.35	1.48	1.62
14.	Crown Wheel Pinion & Parts / Gear Set	8483.1011	8483.1011.1100	1.30	1.43	1.56
15.	Crank Shaft Assembly	8483.1019	8483.1019.1000	1.20	1.32	1.44
16.	Gaskets & Joints	8484.1021	8484.1021.1000	1.20	1.32	1.44

6. 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 differential between air freight and sea freight while applying the Customs values determined in this Ruling.

7. **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.

8. **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.



9. The Collectors of Customs may kindly ensure that the values given in the 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 Directorate General immediately.

10. ***This Ruling supersedes Valuation Ruling No.345/2011, dated 23-06-2011.***


(Abdul Rashid Sheikh)
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), Islamabad.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
12. Director, Audit (Customs & Petroleum), Pakistan Audit & Accounts Complex, Executive Block (Basement), Near NIM, University Road, Karachi.
13. Director, Directorate of Customs Valuation (Camp Office), Lahore.
14. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database and deleting the Valuation Ruling No.345/2011, dated 23-06-2011, on the date of issue of this Ruling.
15. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
16. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
17. Customs Revenue Audit, 8th Floor, Custom House, Karachi.
18. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
19. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
20. Karachi Customs Agents Group, Bohri Road, Karachi.
21. CHO, Customs Valuation, Custom House, Karachi.
22. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st Floor, Custom House, Karachi.
23. Guard File.