



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 Custom Values of Rackets of Different Kinds Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 884/2016)

No. Misc/14/2009-VIII (B)/IX/19017

Dated: July 25, 2016

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

2. **Background of the valuation issue:** It was brought to the notice of this Directorate General of Customs Valuation that the values of various sizes of Rackets have considerably increased in the international market as compared to the determined Customs values of Rackets of different kinds vide Valuation Ruling No.244/2010, dated 05-04-2010. The impugned 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 value for Rackets.

3. **Stakeholders' participation in determination of Customs values:** Meeting with stakeholders was held on 24-06-2016 and the importers were also requested to furnish the following documents:-

- 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. The meeting was attended by different importers and officers from field formations. The importers during the meeting were of the view that the prices of the subject commodity have not increased in the international market in last six years. They, however, could not submit any corroboratory evidence/documents in support of their contentions. They requested that they may be allowed some time to furnish evidences and other documents in support of their contentions but later abstained from submitting any such documents.

*(Handwritten signature)*



5. The representatives of the field formations were of the opinion that the values of Rackets of different kinds as mentioned in the existing valuation ruling are on the lower side.

6. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at fair value of different types of Rackets. Transaction value method provided in Section 25 (1) was found inapplicable owing to wide variation in the values being declared to the customs and incomplete descriptions. 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 on 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. As the stakeholders were not forthcoming with the values of the Rackets of different kinds as being traded in the international market, therefore different markets were surveyed repeatedly for the purpose. Online prices were also obtained to corroborate the findings of the market surveys. Computed Value Method as provided in Section 25 (8) could not be applied for valuation of the aforementioned goods as the cost of raw material 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. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values of Rackets. Consequently, the Customs values of Rackets of different kinds have been determined under Section 25(9) of the Customs Act, 1969.

7. **Customs values for Rackets:** Rackets of different kinds, *hereinafter specified*, shall be assessed to duty/taxes at the Customs Values mentioned below:-

S.No	Description of Goods	PCT	Proposed PCT for WeBOC	Origin	Customs Value (C&F) US\$/Pc
(1)	(2)	(3)	(4)	(5)	(6)
1	Tennis Racket (Aluminium)	9506.5100	9506.5100.1000	China	11.2
2		9506.5100	9506.5100.1100	Other Origins	14.6
3	Tennis Racket (Carbon Graphite)	9506.5100	9506.5100.1200	China	24.0
4		9506.5100	9506.5100.1300	Other Origins	28.0
5	Badminton Racket (Aluminium)	9506.5920	9506.5100.1400	China	3.7
6		9506.5920	9506.5100.1500	Other Origins	4.8





7	Badminton Racket (Carbon Graphite)	9506.5920	9506.5100.1600	China	18.0
8		9506.5920	9506.5100.1700	Other Origins	21.0
9	Squash Racket (Aluminium)	9506.5920	9506.5100.1800	China	8.5
10		9506.5920	9506.5100.1900	Other Origins	12.5
11	Squash Racket (Carbon Graphite)	9506.5920	9506.5100.2000	China	20.0
12		9506.5920	9506.5100.2100	other Origins	23.0
13	Table Tennis Racket	9506.5990	9506.5100.2200	China	0.80
14		9506.5990	9506.5100.2300	other Origins	1.20

8. 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 or in case of import through Land Customs Stations, the differential amount between the Sea freight and land transport charges while applying the Customs values determined in this Ruling.

9. **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.

10. **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, 7<sup>th</sup> Floor, Custom House, Karachi.

11. 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 the tables above of this 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.

12. ***This Valuation Ruling supersedes Valuation Ruling No. 244/2010, dated 05-04-2010.***

  
(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), 1<sup>st</sup> 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. 244/2010, dated 05-04-2010.***
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, 7<sup>th</sup> Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7<sup>th</sup> 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. 244/2010, dated 05-04-2010***
22. Guard File.