



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

Determination of Customs Values of AC asynchronous moving Motor (upto 7 watt) Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 1314/2018)

C.No.Misc/02/2018-VII/1219

Dated: August 13, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of AC asynchronous moving Motor (upto 7 watt) are determined as follows:-

2. **Description of the valuation issue:** A number of representations were received in this Directorate General that AC asynchronous moving motor (upto 07 watt) are being declared and assessed at lower values. Therefore, an exercise was initiated to determine the customs values of subject goods under Section 25A of the Customs Act, 1969.

3. **Stakeholder's participation in determination of Customs values:** Meetings with stakeholders were held on 21.03.2018 and 01.08.2018. All participants were requested to submit the following documents:

- i. Invoices of imports during last three months showing factual value.
- ii. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- iv. Copies of Sales Tax Invoices issued during last four months showing the values of supplies (excluding duty and taxes) to substantiate their contentions.

4. During the meetings, it was brought to the notice that AC/DC motors ranging upto 37 watt have different specifications, weight and use thereof and have different values, therefore, the collectorates should assess these goods under Section 25 of the Customs Act, 1969 keeping in view their specifications. Some of the stakeholders argued that value of AC asynchronous moving Motor (upto 7 watt) are being assessed at much lower values, therefore, values may be determined as traded in the international market. Certain importers submitted documents in support of their contentions. As for as other importers are concerned, in spite of lapse of considerable time, requisite documents were not submitted. Therefore, all available information and documents were examined for determination of customs values.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed sequentially. 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 Sub-Section (5) & (6) of Section 25 of the Customs Act, 1969 provided some reference values but due to wide variations in the declarations the same could not be relied upon exclusively. Thereafter, market enquiry as envisaged under Section 25(7) of the Customs Act, 1969, was conducted. Online prices were also obtained. Consequently, reliance was placed upon Sub-Section (7) of Section 25 of the Customs Act, 1969, and customs values of AC asynchronous moving Motor (upto 7 watt) are determined under Section 25(7) of the Customs Act, 1969.



6. **Customs Values of AC asynchronous moving Motor (upto 7 watt) hereinafter specified**, shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below:

S. No.	Description of Goods	PCT	Proposed PCT For WEBOC	Origin	Customs Values (C&F)
(1)	(2)	(3)	(4)	(5)	(6)
01	AC asynchronous moving Motor (upto 7 watt) Weighing upto 100gm	8501.1000	8501.1000.1000	China	US\$ 0.60/pc

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 Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account air freight while applying the Customs values determined in this Ruling.

8. **Validity of 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, 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 the table above of this Ruling. HS Codes are mentioned for illustrative purpose 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.

(Muhammad Iqbal Muneeb)
Director

Copy for information to :-

1. The Member (Customs), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Director General, Intelligence and Investigation, Islamabad.
8. The Director General, Post Clearance Audit, Islamabad.
9. The Director, Intelligence & Investigation, Karachi/ Lahore/ Islamabad/Quetta/Peshawer/Faisalabad.